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Regulations

TITLE 7—AGRICULTURE

Chapter VII—Agricultural Adjustment Agency

[Tobacco 703 (Fire-cured)—Part I]

PART 726—FIRE-CURED AND DARK AIR-CURED TOBACCO

MARKETING QUOTA REGULATIONS, 1943–44 MARKETING YEAR

PROCEDURE FOR DETERMINATION OF ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR 1943

GENERAL

Sec.

ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR OLD FARMS

ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR NEW FARMS

GENERAL

§ 726.506 *Definitions.* As used in this procedure and in all instructions, forms, and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them, unless the context or subject-matter otherwise requires.

(a) "Fire-cured Allotment Procedure for 1943" means this Tobacco 703 (Fire-cured).

(b) "County committee" means the group of persons elected within any county to assist in the administration of the Agricultural Conservation Programs in such county.

(c) "New farm" means a farm on which fire-cured tobacco was not produced in any of the five years 1938 to 1942, but on which fire-cured tobacco will be produced in 1943.

(d) "Old farm" means a farm on which fire-cured tobacco was produced in one or more of the five years 1938 to 1942, and on which fire-cured tobacco will be produced in 1943.

(e) "Operator" means the person who is in charge of the supervision and conduct of the farming operations on the entire farm.

(f) "Person" means an individual, partnership, association, corporation, estate or trust, or other business enterprise or other legal entity and wherever applicable, a State, a political subdivision of a State or any agency thereof.

(g) "State committee" means the group of persons designated within any State to assist in the administration of the Agricultural Conservation Programs in such State.

(h) "Tobacco" means fire-cured tobacco as classified in Service and Regulatory Announcement No. 118 of the Bureau of Agricultural Economics of the United States Department of Agriculture as types 21, 22, 23 and 24.

§ 726.507 *Extent of calculations and rule of fractions.* (a) All percentages shall be calculated to the nearest whole percent. Fractions of more than fifty-hundredths of one percent shall be rounded upward, and fractions of fifty-hundredths of one percent or less shall be dropped. For example, 87.51 percent would become 88 percent and 87.50 percent would become 87 percent.

(b) All acreages except the preliminary farm acreage allotment and the final farm acreage allotment for 1943 shall be calculated to the nearest one-hundredth of an acre. The preliminary and final 1943 farm acreage allotment shall be calculated to the nearest one-tenth of an acre and fractions of fifty-one thousandths of an acre or more shall be rounded upward and fractions of fifty-

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FEDERAL REGISTER

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thousandths of an acre or less shall be dropped. For example, 1.051 would become 1.1 an 1.050 would become 1.0.

§ 726.508 *Instructions and forms.* The Chief of the Agricultural Adjustment Agency of the United States Department of Agriculture shall cause to be prepared and issued such instructions and such forms as may be deemed necessary or expedient for carrying out this procedure.

§ 726.509 *Applicability of procedure.* This allotment procedure for 1943 shall govern the establishment of farm acreage allotments and normal yields for fire-cured tobacco for use in connection with the 1943 Agricultural Conservation Program and in connection with farm marketing quotas for fire-cured tobacco for the marketing year beginning October 1, 1943.

ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR OLD FARMS

§ 726.510 *Determination of acreage allotments for old farms.* The 1943 fire-cured tobacco acreage allotment for an old farm shall be the preliminary 1943 fire-cured tobacco acreage allotment as determined in accordance with § 726.511 and adjusted in accordance with § 726.512. The 1943 fire-cured tobacco acreage allotment thus determined for an old farm shall be subject to the adjustment provisions of §§ 726.513 and 726.514.

§ 726.511 *Determination of preliminary 1943 acreage allotments for old farms.* The preliminary 1943 fire-cured tobacco acreage allotment for an old farm shall be that percent of the 1943 normal acreage for the farm which the 1943 State acreage allotment is of the 1943 normal acreage of fire-cured tobacco for all old farms in the State: *Provided,* That if the preliminary acreage allotment so determined for any farm (except a farm operated, controlled, or directed by a person who also operates, controls or directs another farm on which fire-cured tobacco is produced) is less than that acreage which with the normal yield would produce 2,400 pounds of tobacco, such preliminary acreage allotment shall be increased to the smaller of (1) 120 percent thereof, or (2) that acreage, which when multiplied by the normal yield would produce 2,400 pounds of tobacco.

This method of determining preliminary 1943 fire-cured tobacco acreage allotments will result in a preliminary 1943 acreage allotment equal to the 1942 acreage allotment for a farm except for those farms for which the normal acreage is adjusted under paragraph (b) of this section; therefore, for all other farms, the committee may establish the preliminary 1943 allotment at the same acreage as the 1942 acreage allotment plus any acreage by which the 1942 allotment was reduced because of violation of the 1941–42 Marketing Quota Regulations: *Provided, however,* No acreage allotted to such farm in 1942 from the State pools, except the acreage allotted to a farm the owner of which was dispossessed of another farm by the acquisition thereof by a Federal agency for national defense purposes, shall be used in determining the 1943 preliminary acreage allotment. This provision shall not be construed to prohibit determining any allotments for 1943 under the provisions of paragraph (a) of § 726.513.

(a) *Determination of 1943 normal acreage.* The 1943 normal acreage for an old farm shall be determined by applying the applicable diversion factor to the 1942 acreage allotment plus any acreage by which the 1942 allotment was reduced because of violation of the 1941–42 Marketing Quota Regulations: *Provided, however,* No acreage allotted to the farm in 1942 from the State pools, except the acreage allotted to a farm, the owner of which was dispossessed of another farm by the acquisition thereof by a Federal agency for national defense purposes, shall be used in determining the 1943 normal acreage.

1940 acreage allotment	1942 acreage allotment	Diversion factor
		Percent of allotment
3.5 acres or less	2.6 acres or less	194
3.6 acres	2.7 acres	196
3.7 acres	2.8 acres	211
3.8 acres	2.8 acres	225
3.9 acres	2.9 acres or more	233

(b) *Adjustment of 1943 normal acreage.* The 1943 normal acreage for an old farm, determined as provided above, shall be adjusted so as to take into account any changes for 1943 in respect to the past acreage of fire-cured tobacco (harvested and diverted acreage in the five years 1938–42 as compared with the five years 1937–41) making due allowance for the effect of drought, flood, hail, other abnormal weather conditions, plant-bed and other diseases; land, labor and equipment available for the production of tobacco; crop rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided,* That in determining the 1942 harvested and diverted acreage of fire-cured tobacco, any amount by which the 1942 harvested acreage is less than the 1942 farm acreage allotment shall be considered as diverted acreage.

§ 726.512 *Adjustment of preliminary 1943 acreage allotment.* An acreage not in excess of one-half of one percent of the State acreage allotment for fire-cured tobacco shall be apportioned to each county in the State on the basis of the percentage the total 1942 fire-cured tobacco acreage allotment in each county is of the State acreage allotment for fire-cured tobacco, unless otherwise recommended by the State committee and approved by the Regional Director. Such acreage shall be used by the county committees as hereinafter provided in this section, if the committees find that such action will establish allotments which are fair and equitable taking into consideration the past acreage of fire-cured tobacco grown on the farm; land, labor and equipment available for the production of fire-cured tobacco; crop rotation practices; and the adaptability of the soil to the growing of fire-cured tobacco. The acreage available in each county may be used for establishing the 1943 fire-cured tobacco acreage allotments and for adjusting upward preliminary 1943 fire-cured tobacco acreage allotments in the following order and under the following conditions:

(a) The acreage by which 1943 preliminary allotments established under the provisions of § 726.511 hereof exceeds the 1942 acreage allotments for such farms shall be deducted from the acreage apportioned to the county as provided above.

(b) A preliminary 1943 fire-cured tobacco acreage allotment may be established for a farm which grew fire-cured tobacco in 1942 for which no fire-cured tobacco acreage allotment was established in such year. Any such allotment shall not exceed the larger of five-tenths of one acre or 10 percent of the 1942 harvested acreage of fire-cured tobacco.

(c) The preliminary 1943 fire-cured tobacco acreage allotment for any farm may be adjusted upward. Such adjustment shall not exceed the larger of 10 percent of the 1943 preliminary acreage allotment or one-half acre.

Any allotment established or adjusted as provided above shall be subject to the approval of the State committee.

§ 726.513 *Reallocation of allotments released from farms removed from agricultural production.* (a) Except as provided in paragraph (b) of this section, the fire-cured tobacco allotment determined or which would have been determined for any land which is removed from agricultural production because of acquisition by a State or Federal agency for any purpose or by a person for use in connection with the national defense program shall be available to State committees for use in providing equitable allotments for farms on which tobacco was grown in one or more of the three years, 1940 through 1942 and which are operated in 1943 by persons who were producers of tobacco on land so removed from agricultural production. Insofar as possible, the allotments for farms operated by such persons shall be comparable to the allotments for other old farms in the same community which are similar with respect to land, labor and equipment available for the production of tobacco; crop rotation practices; soil and other physical factors affecting the production of tobacco, taking into consideration the allotment for the land removed from agricultural production. The allotment so determined shall be subject to the approval of the State committee and shall not exceed the larger of (1) the 1943 allotment previously determined for such land, or (2) the allotment which was or would have been determined for the land removed from agricultural production; *Provided,* That in no event shall the allotment so determined exceed the larger of 20 percent of the acreage of cropland in the farm, or three acres.

(b) The allotment determined or which would have been determined for any land acquired on or since January 1, 1940 by any Federal agency for national defense purposes shall be placed in a State pool and shall be used in determining equitable allotments for farms owned or purchased by owners displaced because of acquisition of their farm by a Federal agency for national defense purposes. Upon application to the county committee, any owner so displaced shall be entitled to have an allotment for any one of the other farms owned or purchased by him equal to an allotment which would have been determined for such other farm, plus the allotment which would have been determined for the farm acquired by the Federal agency: *Provided,* That such allotment shall not exceed 20 percent of the acreage of cropland in the farm. The provision of this subsection shall not be applicable if (1) there is any marketing quota penalty due with respect to the marketing of tobacco from the farm or by the owner of the farm at the time of its acquisition by the Federal agency, (2) any tobacco produced on such farm has not been accounted for as required by the Secretary, or (3) if the allotment next to be established for the farm acquired by the Federal agency would have been reduced because of false or improper identification of tobacco produced on or marketed from such farm.

§ 726.514 *Reduction of acreage allotment for violation of the 1942–43 Marketing Quota Regulations.* If tobacco was sold or was permitted to be sold on a marketing card for any farm which was produced on a different farm the acreage allotment established for each such farm for 1943 shall be reduced by the amount of tobacco so marketed: *Provided,* That such reduction shall not be made if the Secretary, through the county committee, determines that no person connected with such farm during the 1942–43 marketing year caused, aided, or acquiesced in such marketing. If proof of the disposition of any amount of tobacco produced on a farm is not furnished, as required by the Secretary, the acreage allotment shall be reduced by such amount of tobacco.

The amount of tobacco involved will be converted to an acreage basis by dividing such amount of tobacco by the actual yield for the farm during the year in which such tobacco was produced.

§ 726.515 *Farms subdivided or combined by reconstitution.* (a) If land operated as a single farm in 1942 or any previous year has subsequently been subdivided and will be operated in 1943 as two or more farms, the 1943 fire-cured tobacco acreage allotment determined or which otherwise would have been determined for the entire farm shall be apportioned among the tracts in the same proportion as the acreage of cropland suitable for the production of fire-cured tobacco on each such tract in such year bore to the total number of acres of cropland suitable for the production of fire-cured tobacco on the entire farm in such year unless otherwise recomended by the county committee and approved by the State committee.

(b) If two or more farms operated separately in 1942 or any previous year have subsequently been combined and will be operated in 1943 as a single farm, the 1943 fire-cured tobacco allotment shall be the sum of the 1943 fire-cured tobacco allotments determined or which otherwise would have been determined for each of the farms composing the combination.

§ 726.516 *Determination of normal yields.* The normal yield for any farm shall be the average of the yields obtained on the farm during the years 1937–41, adjusted by the county committee so as to more accurately reflect the normal yield on the farm represented by the soil and other physical factors affecting the production of fire-cured tobacco, by taking into consideration yields obtained on other farms in the locality which are similar with respect to such factors. The weighted average of the normal yields for all farms in each county shall not exceed the yield established for the county in 1942 unless an

adjustment for abnormal conditions is made by the Secretary upon recommendation of the State committee.

ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR NEW FARMS

§ 726.517 *Determination of acreage allotments for new farms.* The fire-cured tobacco acreage allotment other than an allotment made under paragraph (b) of § 726.513 for a new farm shall be that acreage which the county committee determines is fair and reasonable for the farm taking into consideration each of the following factors:

(a) The past fire-cured tobacco experience of the farm operator;

(b) The acreage of cropland in the farm suitable for fire-cured tobacco production;

(c) The acreage capacity of barns which are located on the farm and which are in usable condition and available for the curing of fire-cured tobacco;

(d) The customary crop rotation practices;

(e) Adaptability of the soil to the growing of fire-cured tobacco.

Provided, That the acreage allotment so determined shall be subject to approval by the State committee and shall not exceed the smallest of (1) one-fifth of the total acreage of fire-cured tobacco grown by the farm operator during the five years 1938 through 1942, (2) 75 percent of the average fire-cured tobacco acreage allotment for old farms in the county, or (3) one acre.

Notwithstanding any other provisions of this section, a fire-cured tobacco acreage allotment shall not be established for any new farm unless the following conditions have been met:

(a) The farm operator shall have had two years or more experience in growing fire-cured tobacco as a share-cropper, tenant, or as a farm operator during the past five years;

(b) The farm operator shall be living on the farm and largely dependent on this farm for his livelihood;

(c) The farm covered by the application shall be the only farm owned or operated by the farm operator on which any tobacco is produced;

(d) There is a fire-cured tobacco curing barn in condition for use on the farm; and

(e) No kind of tobacco other than fire-cured tobacco will be grown on such farm in 1943.

The fire-cured tobacco acreage allotments established as provided in this section shall be subject to such downward adjustment as is necessary to bring such allotments in line with the total acreage available for allotment to all new fire-cured tobacco farms.

The fire-cured tobacco acreage available for establishing allotments for new farms shall be one-tenth of one percent of the national allotment for fire-cured tobacco.

§ 726.518 *Time for filing application.* In order to obtain an allotment for a new fire-cured tobacco farm in 1943, the operator of the farm shall file an application for such allotment with the county committee prior to February 1, 1943.

§ 726.519 *Determination of normal yields.* The normal yield for a new farm shall be that yield per acre which the county committee determines is reasonable for the farm as compared with yields for other farms in the locality on which the soil and other physical factors affecting the production of fire-cured tobacco are similar.

Done at Washington, D. C., this 20th day of January 1943. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-993; Filed, January 20, 1943; 12:49 p. m.]

Chapter XI—Food Distribution Administration

PART 964—MILK IN THE MEMPHIS, TENNESSEE, MARKETING AREA

SUSPENSION OF ORDER REGULATING HANDLING OF MILK

Pursuant to the applicable provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 1940 ed. 601 et seq.), and upon the request of the Mid-South Milk Producers' Association, Memphis, Tennessee, a cooperative association of producers representing more than 75 percent of the producers who produce more than 50 percent of the total volume of milk disposed of in the Memphis, Tennessee, marketing area, the order regulating the handling of milk in the Memphis, Tennessee, marketing area, effective October 4, 1942 (7 F.R. 7794), is hereby suspended, effective January 20, 1943.

This order of suspension shall not affect, waive, suspend, or terminate any right, duty, obligation, or liability which shall have arisen, or which may hereafter arise, in connection with any of the provisions of the order regulating the handling of milk in the Memphis, Tennessee, marketing area, provided such right, duty, obligation, or liability was incurred prior to the effective date of this suspension; nor shall this suspension release or waive any violation of the said order occurring prior to the effective date of this suspension.

Done at Washington, D. C., this 20th day of January 1943. Witness my hand and the seal of the Department of Agriculture.

[SEAL] THOMAS J. FLAVIN,
Assistant to the Secretary of Agriculture.[1]

[F. R. Doc. 43-1068; Filed, January 21, 1943; 11:20 a. m.]

[Food Distribution Order 6-1]

PART 1405—FRUITS AND VEGETABLES

CITRUS FRUIT

Pursuant to the authority vested in me by Food Distribution Order 6 dated January 12, 1943, and to effectuate the purpose of that order, *It is hereby ordered as follows*:

§ 1405.3 *Citrus fruit set aside order*—(a) *Oranges to be set aside.* (1) Every handler of oranges located in those portions of the producing area listed below shall, during each shipping period in which he ships more than 50 boxes or the equivalent thereof, set aside for the requirements of Government agencies and processors a quantity equal to the percentage listed below of the oranges shipped by him during such period.

Florida	None.
California	20 percent.
Arizona	20 percent.

(2) Such quantity of oranges shall be set aside and held subject to the restrictions of Food Distribution Order 6 for six weeks after the close of the shipping period in which it was set aside.

(b) *Lemons to be set aside.* (1) Every handler of lemons located in those portions of the producing area listed below shall, during each shipping period in which he ships more than 50 boxes or the equivalent thereof, set aside for the requirements of Government agencies and processors, a quantity equal to the percentage listed below of the lemons shipped by him during such period.

California	None.
Arizona	None.

(2) Such quantity of lemons shall be set aside and held subject to the restrictions of Food Distribution Order 6 for 18 weeks after the close of the shipping period in which it was set aside.

(c) *Grapefruit to be set aside.* (1) Every handler of grapefruit located in those portions of the producing area listed below shall, during each shipping period in which he ships more than 50

[1] Acting pursuant to authority delegated by the Secretary of Agriculture under the Act of April 4, 1940 (54 Stat. 81; 7 F.R. 2656).

boxes or the equivalent thereof, set aside for the requiremets of Government agencies and processors a quantity equal to the percentage listed below of the grapefruit shipped by him during such period.

Florida	None.
Texas	None.
Arizona	None.
California	None.

(2) Such quantity of grapefruit shall be set aside and held subject to the restrictions of Food Distribution Order 6 for six weeks after the close of the shipping period in which it was set aside.

(d) *Definitions.* (1) "Shipping period" means in all cases a period of seven consecutive days beginning with 12:01 a. m. local time Sunday and ending at 12:01 a. m. local time the following Sunday.

(2) "Box" means the standard container of that name prescribed for the particular variety of citrus fruit by the Agricultural Code of the State of California.

(e) *Permissible variations.* Notwithstanding the provisions of paragraphs (a), (b) and (c) hereof, any handler, during any shipping period for any type or variety of citrus fruit of which he is not required to make up a deficiency, may, at his option, set aside less than the quantities of citrus fruit required by paragraphs (a), (b) and (c) hereof to be set aside, upon condition that not less than half of such quantities so required are set aside, and that the deficient quantities are set aside in the next shipping period in addition to the quantities otherwise required to be set aside during such period. Citrus fruit set aside during any shipping period shall be applied first to any deficiency for the preceding shipping period.

(f) *Reports.* (1) On or before the first Tuesday following each shipping period each handler of the types and varieties of citrus fruit listed below shall file a report, for the geographical location indicated, with the person listed below.

Oranges:

California and Arizona: H. W. Thompson, Food Distribution Administration, Room 405, 704 South Spring St., Los Angeles, California.

(2) The report required to be filed shall be upon forms prescribed by the Director and shall contain the information with respect to each type of fruit required to be set aside by this order called for by said forms.

(g) *Effective date.* This order shall take effect at 12:01 a. m., January 24, 1943.

(E.O. 9280, 7 F.R. 10179; F.D.O. No. 6, 8 F.R. 511)

Issued this 20th day of January 1943.

[SEAL] ROY F. HENDRICKSON,
Director of Food Distribution.

[F. R. Doc. 43-1067; Filed, January 21, 1943; 11:20 a. m.]

[Food Distribution Order 7-1]

PART 1430—SUGAR

RAW SUGAR ALLOTMENTS

Pursuant to the authority vested in me by Food Distribution Order 7, dated January 15, 1943, issued pursuant to Executive Order 9280, dated December 5, 1942, and to effectuate the purposes of those orders, *It is hereby ordered as follows:*

§ 1430.6 *Allotments of raw sugar.* (a) No refiner shall purchase, import, or accept delivery of raw sugar in excess of the allotment hereby established for the period from January 1, 1942, to September 30, 1943, for him in the amount set forth below opposite his name. Such allotment may be changed or modified from time to time by the Director of Food Distribution. All such raw sugar purchased, imported, or received by him between January 1, 1942, and the date of this order shall be charged against such allotment.

	Short tons raw value
American Sugar Refining Co	1,489,462
Aron & Co., J	69,078
C & H Sugar Refining Corp. Ltd	823,114
Colonial Sugars Inc	193,362
Godchaux Sugars Inc	314,997
Henderson Sugar Refinery	116,847
Imperial Sugar Co	202,323
Inland Sugar Co	2,947
Liquid Sugars Inc	15,437
W. J. McCahan Sugar Ref. and Molasses Co	259,606
National Sugar Refining Co	1,246,614
Pepsi-Co'a Company	12,220
Realty Operators, Inc	35,269
Refined Syrups & Sugars, Inc	175,017
Revere Sugar Refinery	254,366
Savannah Sugar Refining Corp	208,541
South Coast Corporation	74,579
Sterling Sugars, Inc	47,845
Sucrest Corp. and Affiliates	167,178
Tea Garden Products Company	1,123
Western Sugar Refinery	253,595

(b) Purchases, importations, or acceptances of delivery, within the allotment established in paragraph (a) hereof of raw sugar shall be made only upon specific authorization of the Director of Food Distribution.

(c) Supplementary Order M-98-a of the War Production Board is hereby superseded. Any action heretofore taken or authorized by the Director General of Operations of the War Production Board pursuant to the provisions of Supplementary Order M-98-a (7 F.R. 5363) shall have the same force and effect as though taken or authorized pursuant to the provisions of this order. Nothing in this order shall be construed to affect any pending appeal under Conservation Order M-98, as amended and supplemented (7 F.R. 8323), and such appeal shall be considered under paragraph (e) of Food Distribution Order 7. Nothing herein shall be construed to affect any suit, action, prosecution, or other proceeding under Conservation Order M-98, as amended and supplemented, or the validity of any penalty, judgment or decree which may be or has been made or imposed thereunder.

(E.O. 9280, 7 F.R. 10179; F.D.O. No. 17, 8 F.R. 904)

Issued this 21st day of January 1943.

ROY F. HENDRICKSON,
Director of Food Distribution.

[F. R. Doc. 43-1066; Filed, January 21, 1943; 11:21 a. m.]

[Food Distribution Order 9]

PART 1450—TOBACCO

1942 CROP EASTERN FIRE-CURED, WESTERN FIRE-CURED AND GREEN RIVER TOBACCO

Pursuant to the authority vested in me by Executive Order 9280, dated December 5, 1942, and to insure an adequate supply of lower grades of certain dark tobaccos of the 1942 crop for the manufacture of nicotine alkaloid and nicotine sulphate for war and civilian needs: *It is hereby ordered as follows:*

§ 1450.10 *1942 Crop Tobacco of types 22, 23, and 36; restrictions on acquisition and use of specified grades*—(a) *Definitions.* When used in this order unless otherwise distinctly expressed or manifestly incompatible with the intent thereof:

(1) "Type 22" means tobacco of this type, often called Eastern or Southern Fire-cured, as defined in the Official Standard Grades for Fire-cured Tobacco (7 CFR 29.101 et seq.), promulgated by the Secretary of Agriculture under the Tobacco Inspection Act (7 U.S.C. 511 et seq.).

(2) "Type 23" means tobacco of this type, often called Western Fire-cured, as defined in the Official Standard Grades for Fire-cured Tobacco, promulgated by the Secretary of Agriculture under the Tobacco Inspection Act.

(3) "Type 36" means tobacco of this type, often called Green River, as defined in the Official Standard Grades for Dark Air-cured Tobacco (7CFR 29.251 et seq.), promulgated by the Secretary of Agriculture under the Tobacco Inspection Act.

(4) "Grades X3M, X3G, X4F, X4FV, X4D, X4M, X4G, X5F, X5FV, X5D, X5M, X5G, and N" means grades of tobacco so designated by the Official Standard Grades for Fire-cured Tobacco and the Official Standard Grades for Dark Air-cured Tobacco, the letter "V" referring to greenish tobacco, as defined in the Official Standard Grades for Fire-Cured Tobacco and the Official Standard Grades for Dark Air-cured Tobacco.

(5) "Person" means any individual, partnership, corporation, association, or other business entity.

(6) "Manufacturer of tobacco byproducts" means any person who acquires and processes tobacco under Tobacco Diversion Program No. J/40a, established by the Secretary of Agriculture on August 12, 1942 under the provisions of clause 2, section 32 of "An Act to amend the Agricultural Adjustment Act, and for other purposes" approved August 24, 1935. (7 U.S.C. 612c).

(7) "Director" means the Director of Food Distribution. United States Department of Agriculture or any employee of the United States Department of Agriculture designated by such Director.

(b) *Restrictions.* (1) No person other than a manufacturer of tobacco byproducts shall after the effective date of this order purchase or otherwise acquire on auction markets Type 22, Type 23, or Type 36 tobacco of the 1942 crop of grades X3M, X3G, X4F, X4V, X4D, X4M, X4G, X5F, X5FV, X5D, X5M, X5G, and N, except as may be specifically authorized by the Director.

(2) No person other than a manufacturer of tobacco by products shall use tobacco of the 1942 crop of the types and grades referred to in paragraph (b) (1) if such tobacco is purchased after the effective date of this order, except as may be specifically authorized by the Director.

(3) The restrictions of this order shall be observed without regard to the rights of creditors, contracts and payments made or any other action taken thereunder.

(c) *Records and reports.* Every manufacturer, person operating an auction warehouse in which tobacco of Types 22, 23, or 36 is sold, and any other person to whom this order applies, shall maintain such records for such periods of time and shall execute and file such reports and submit such information as the Director may from time to time request or direct and within such time as he may prescribe.

(d) *Audits and inspections.* Every manufacturer or any other person to whom this order applies shall permit inspections of his stocks of tobacco and of his books, records, and accounts by the Director or any person designated by him.

(e) *Petition for relief from hardship.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship on him may petition in writing for relief to the Director, setting forth all pertinent facts and the nature of the relief sought. The Director may thereupon take such action as he deems appropriate, and such action shall be final.

(f) *Violations.* Any person who wilfully violates any provision of this order or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this order or wilfully conceals a material fact concerning a matter within the jurisdiction of any Department or agency of the United States may be prohibited from receiving or making further deliveries of any material subject to allocation and such further action may be taken against him as the Director deems appropriate, including recommendations for prosecution under section 35a of the Criminal Code (18 U.S.C. 80), under paragraph 5 of section 301 of Title III of the Second War Powers Act, and under any and all other applicable laws.

(g) *Communications to Department of Agriculture.* All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to: Director of Food Distribution, United States Department of Agriculture, Washington, D. C. Ref.: FD-9.

(h) *Delegation of authority.* The Director of Food Distribution is hereby designated to administer the provisions hereof.

(i) *Effective date.* This order shall be effective as of 12:01 A. M. the second day after issuance.

(E.O. 9280, 7 F.R. 10179)

Issued this 20th day of January 1943.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 43-1069; Filed, January 21, 1943; 11:20 a. m.]

TITLE 10—ARMY: WAR DEPARTMENT

Chapter VII—Personnel

PART 73—APPOINTMENT OF COMMISSIONED OFFICERS, WARRANT OFFICERS, AND CHAPLAINS

OFFICERS APPOINTED IN THE ARMY OF THE UNITED STATES

Sections 73.200, 73.201, 73.202, 73.210, 73.212, 73.213, 73.214, 73.216 and 73.217 are retained without change in revision of AR 605-10, dated December 30, 1942. §§ 73.203 (a), 73.204 to 73.209, 73.211 (a) and (c), 73.215 and 73.218 are amended as follows (6 F.R. 5661; 7 F.R. 739, 841, 1016, 2143, 2720, 3740, 3957, 4564, 4601, 7071, 10247)

AUTHORITY: §§ 73.200 to 73.218, inclusive, issued under the act of September 22, 1941, 55 Stat. 728; 10 U.S.C., Sup., 484.

These regulations are also contained in Army Regulations No. 605-10, December 30, 1942, the particular paragraphs being shown in brackets at end of sections.

§ 73.203 *Procurement objective.* (a) Initial appointments in the Army of the United States will be made in such numbers and in such grades as may be specifically authorized from time to time by the War Department for the several arms and service and War Department agencies. These authorizations will constitute procurement objectives for all appointments and will not be exceeded. [Par. 5]

* * * * *

§ 73.204 *Age and citizenship requirements.* An officer of the Army of the United States must at the time of appointment be a citizen of the United States or of the Philippine Islands, or a citizen of a cobelligerent or friendly country who otherwise possesses the same qualifications as a citizen of the United States, between the ages of 18 and 60 years. [Par. 6]

§ 73.205 *Appointments not made from certain classes.* No person will be initially appointed in the Army of the United States from the following classes:

(a) Cadets, United States Military Academy.

(b) Persons qualified and eligible for appointment in the Officers' Reserve Corps under existing regulations.

(c) Persons on either the active or reserve list of the Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey.

(d) Civilian officers or employees of the United States or of the District of

Columbia, without the written consent of the head of the department or service concerned.

(e) Any person subject to induction under the Selective Training and Service Act of 1940, as amended, whose induction has been ordered.

(f) Any person who is not a graduate of a school or resident course of instruction recognized by the War Department as qualifying him for a commission, unless he has training and experience required for the particular position beyond that normally provided at officer candidate schools.

(g) Any person whose proposed duty is being or can be adequately performed by available civilian personnel.

(h) Former commissioned officers of the Navy, Marine Corps, Coast Guard, or of any component of the Army of the United States, whose appointment is prohibited by the provisions of paragraph (e) of this section; or whose commissions were terminated because of inefficiency or under other than honorable conditions: *Provided,* That former commissioned officers of this category may be appointed upon the approved recommendations of a board of officers convened for the purpose of determining the professional and moral fitness of the particular applicant for appointment. (See also § 73.206.)

(i) Any person whose services will not be immediately available to the War Department upon being appointed to a commissioned grade.

(j) Any civilian without prior commissioned service (see § 73.206 (a)) under 35 years of age unless classified by Selective Service as class IV–F on account of physical disability, or over 34 years of age and under 38 years of age at the date of appointment if classified by Selective Service (or if as yet unclassified, but apparently classifiable) as class I–A or class II. Exception may be made in the case of chaplains and doctors of medicine, dentistry, and veterinary medicine, and in other cases where there is a critical need for the services of a particular individual, or where the individual is within a scarce category of specialized skill in which not enough men trained to fill the requirements of the armed forces are available at the time required. No civilian, of any age, will be appointed if classified as II–A, II–B, or III–B, unless released from such classification by his local board.

(k) (See also § 73.207.) [Par. 7]

§ 73.206 *Grades in which appointed.* Appointments may be made in any grade for which the appointee is qualified and eligible, subject to the following limitations:

(a) Graduates of officer candidate schools will be initially appointed as second lieutenants only.

(b) Appointments in the Medical Corps, Dental Corps, Veterinary Corps, and for duty as chaplains will be limited to first lieutenant to colonel, both inclusive.

(c) (1) If a former commissioned officer of the Army, Navy, Marine Corps, or Coast Guard of the United States applies for a commission after his induction under the Selective Training and Service Act of 1940 he will make application through his immediate commanding officer. If recommended by the examining board, he may be appointed to a grade not higher than that formerly held by him.

(2) If recommended for a commission in the Army prior to his call for induction under the Selective Training and Service Act of 1940 and he is otherwise qualified for the position in accordance with § 73.205, a former commissioned officer may be appointed, irrespective of his age or Selective Service status, to a grade commensurate with his ability. [Par. 8]

§ 73.207 *Qualifications for initial appointments.* (a) Normally, applicants for initial appointment will be required to qualify as to military and nonmilitary education under the standards established for appointment to corresponding grade in the Officers' Reserve Corps (AR 140–22 to 140–39 [1], inc.), except that military and nonmilitary educational requirements may be waived in whole or in part upon the recommendation of the arm or service concerned.

(b) In the case of persons recommended for appointment from civil life as commissioned officers in the Army of the United States, the recommendation must include satisfactory evidence that the recommended individual possesses special qualifications, and that these special qualifications are required in the position to which he is to be assigned if commissioned, and that individuals of the required qualifications are not readily available in the ranks of the Army. (See § 73.205 (f).)

(c) Appointments for Table of Organization positions in approved authorized affiliated units of the Medical Department, Ordnance Department, Corps of Engineers, Quartermaster Corps, or Signal Corps, and appointments for the electronics training group, Signal Corps, that formerly would have been made in the Officers' Reserve Corps, will be made in the Army of the United States. Appointments in affiliated units will not be made unless the person to be appointed is a bona fide officer or employee or member of the organization, institution, or association sponsoring the affiliated unit and is otherwise qualified under these regulations.

(d) When a commander of United States forces outside the continental United States is granted special authority by the War Department to appoint or to recommend the appointment of officers, Army of the United States, the qualifications for appointment will be as indicated in the special War Department instructions authorizing the appointments. [Par. 9]

§ 73.208 *Applications for appointment*—(a) *General.* Except for graduates of officer candidate schools, applications for initial appointment in the Army of the United States will be submitted and processed as follows:

(1) *Form of application.* W. D., A. G. O. Forms Nos. 0350 and 0350a (Personnel Placement Questionnaire).

(2) *Accompanying papers.* Each application for appointment will be accompanied by:

(i) Report of Physical Examination (W. D., A. G. O. Form No. 63 or 64, as applicable). (See §§ 73.216–73.218.)

(ii) A statement that the recommended appointee is or is not a Selective Service registrant.

(iii) If a Selective Service registrant, a certificate from the appointee's local board giving his Selective Service classification, and certifying that his induction has or has not been ordered.

(iv) If an enlisted man or warrant officer, evidence that he meets the requirements of paragraph 9*b*, AR 605–10,[2] to include report of examining board.

(v) A statement by the recommending authority as to the specific assignment or duty for which the appointment is desired, and indicating the approved procurement objective under which appointment is authorized. (See § 73.211.)

(3) *How forwarded.* Applications, with accompanying papers, will be forwarded through military channels to the Officer Procurement Service, War Department, Washington, D. C.

(4) *Final action.* Final action after receipt of papers by the Officer Procurement Service will be in accordance with current instructions to that Service.

(b) *Graduates, officer candidate schools.* Applications for appointment from individuals selected to attend officer candidate schools will be processed in accordance with current instructions of the War Department governing officer candidate schools. [Par. 10]

§ 73.209 *Appointments, how made.* (a) In the case of appointment of graduates of officer candidate schools, the designation of the school from which

[1] Administrative regulations of the War Department relating to the Officers' Reserve Corps.

[2] Administrative regulations of the War Department relative to officers appointed in the Army of the United States.

graduated will be stated in the notice of appointment.

(b) All other appointments under these regulations will be without reference to an arm or service, except that, in the case of appointment of a chaplain or for service in the Medical Department, service for which appointed will be stated in the notice of appointment. (See also §§ 73.211 and 73.212.) [Par. 11]

§ 73.211 *Assignment.* (a) When an officer appointed in the Army of the United States is ordered to active duty, the orders placing him on active duty will designate, where appropriate, the arm or service to which he is assigned.

* * * * *

(c) Persons appointed from civil life without previous military experience will not be assigned to duty with units of the field forces unless they have completed not less than 4 months' active military service as a commissioned officer subsequent to appointment, and have satisfactorily completed an appropriate course of instruction at a special service school of the arm or service to which they are assigned, except in the following cases:

* * * [Par. 13]

§ 73.215 *Methods of separation.* Appointments in the Army of the United States may be terminated by death, resignation, discharge, dismissal, or dropping from the rolls.

(a) *Resignations.* Resignations of officers appointed in the Army of the United States may be submitted and will receive consideration only as provided in current regulations and War Department instructions applicable to members of the Officers' Reserve Corps on active duty.

(b) *Discharge and dismissal*—(1) *Discharge.* The discharge or dismissal of officers initially appointed in the Army of the United States will be accomplished in accordance with the laws and regulations governing the discharge or dismissal of personnel whose permanent retention in the active military service is not contemplated by law.

(2) *Dismissal.* (i) (*a*) During the initial 90 days after the appointment of an officer from civil life, he must satisfactorily complete an appropriate course of training and will be subject to close scrutiny and to discharge at any time upon the recommendation of his commanding officer that he is unqualified for or is unsuited by temperament, character, habits, or otherwise to be an officer.

(*b*) Any officer appointed under these regulations may be recommended for discharge at any time when information is revealed which, if known at the time of his appointment, would have made him ineligible for such appointment. Any mis-statement of fact or any material omission in original application or attendant papers or, in the case of chaplains, withdrawal of ecclesiastical indorsement will likewise be a basis for recommendation for discharge of such officers at any time.

(*c*) Recommendations for termination of appointment under (*a*) and (*b*) above will be forwarded to The Adjutant General with a full report of the circumstances, and will include affidavits of persons having knowledge of the facts and a statement by the officer concerned in explanation of the charges or a statement by him that he does not desire to offer any explanation. The officer concerned will be furnished a copy of this report and will be informed that he may request trial by court martial or action of a board of inquiry, whichever is appropriate.

(ii) Officers of the Army of the United States who are for any reason deemed unfit but who are not subject to summary discharge under the provisions of subparagraph (2) (i) of this paragraph will be processed in accordance with the provisions of AR 605–230[3] or, when applicable, under the provisions of the Articles of War.

(3) *Misconduct, etc.* The separation from the service of an officer of the Army of the United States by resignation or discharge because of misconduct or habits and traits of character unbecoming to an officer will be recorded as "under other than honorable conditions."

(4) *Relief from active duty.* Except in case of dismissal pursuant to sentence of general court martial, an officer of the Army of the United States on active duty will be relieved from active duty and will be returned to his home prior to the effective date of discharge. [Pars. 23, 25, and 26]

§ 73.218 *Waiver of physical defects.* (a) Deviations from normal physical standards that will not interfere with nor prevent the full and satisfactory performance of the duty for which the individual is being appointed, or is being ordered to active duty, and that are not of a nature likely to be aggravated to a disabling degree by active military service, may be waived in the manner and under the conditions authorized in current War Department instructions. [Par. 29]

(b) The following will govern in regard to original appointments and assignment of officers to extended active duty:

(1) (i) The policy of the Secretary of War is to approve for appointment or for extended active duty individuals qualified for limited service assignments who have minor physical defects which would disqualify them under current physical standards but which will not interfere with the satisfactory performance of the duties contemplated: *Provided,* The defects are stationary in character and are not likely to be aggravated as a result of active military service.

(ii) In examining individuals for limited service great care will be exercised to elicit any history, symptoms, or objective evidence of constitutional disease, cardio-vascular degeneration, mental or nervous disorder, including epilepsy and psychoneuroses, peptic ulcer, and allergic conditions with emphasis on hay fever or asthma.

(2) (i) Report of Physical Examination (W. D., A. G. O. Form No. 63) of individuals examined for appointment or for assignment to extended active duty for limited service will have typed in capital letters immediately above the instructions near the top of the form the words "Limited Service," and will be accompanied by the following affidavit. In case a Reserve officer declines to sign an affidavit, the facts will be fully set forth on the report of physical examination and the report forwarded without affidavit.

I, ----------, ----------,
(Name) (Grade)
---------- being desirous of entering upon active military service during the current emergency, and being aware of the fact that I have the following physical defects:
(Component)

[Here insert a statement of the disqualifying physical defects, as noted on the report of physical examination, W.D., A.G.O. Form No. 63 or W.D., A.G.O. Form No. 64, if for the Army Air Forces.]

do hereby acknowledge the existence of the above-mentioned physical defects, and request that I be placed upon extended active duty.

In witness whereof, I have hereunto set my hand and seal at ----------
(Place, including State)
this ---------- day of ----------, 194-----.

(Name)

(Grade) (Component)

(ii) The affidavit in (i) above will be executed before an authority who is authorized to accomplish legal oaths. [Par. 29, AR 605–10, December 30, 1942 and Cir. 424, W. D., December 31, 1942]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 43–994; Filed, January 20, 1943; 2:44 p. m.]

[3] Administrative regulations of the War Department relating to the reclassification of commissioned officers.

PART 75—ADMISSION TO THE UNITED STATES MILITARY ACADEMY

ENTRANCE REQUIREMENTS, ETC.

Correction

In § 75.22 (b) (1) appearing on page 585 of the issue for Saturday, January 16, 1943, the first sentence should read, "Vision as determined by the visual test types (without a cycloplegic) must not fall below 20/30 in either eye without glasses, corrected with glasses to 20/20 in each eye, when no organic disease in either eye exists."

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue

Subchapter A—Income and Excess Profits Taxes

[T.D. 5215]

PART 19—INCOME TAX UNDER THE INTERNAL REVENUE CODE

INCOME FROM ESTATES UNDER GIFTS, BEQUESTS, ETC.

In order to conform Regulations 103 [Part 19, Title 26, Code of Federal Regulations, 1940 Sup.], relating to the income tax under the Internal Revenue Code, to section 111 (relating to income received from estates, etc., under gifts, bequests, etc.) of the Revenue Act of 1942 (Public Law 753, 77th Congress), approved October 21, 1942, such regulations are amended as follows:

PARAGRAPH 1. Section 19.22 (a)–12, as amended by Treasury Decision 5194, approved December 8, 1942, is further amended by striking out the third sentence and by inserting in lieu thereof, the following sentences:

* * * An annuity charged upon devised land is taxable to the donee-annuitant for taxable years beginning before January 1, 1942, if payable only out of the rents or other income of the land, but is taxable to the donee-annuitant for taxable years beginning after December 31, 1941, to the extent it becomes payable out of the rents or other income of the land, whether or not it is a charge upon the income of the land. (See section 22 (b) (3) and § 19.22 (b) (3)–1.) As to certain cases in which an annuity charged upon devised land is taxable in full to a spouse upon divorce or legal separation, see section 22 (k).

PAR. 2. There is inserted immediately preceding § 19.22 (b) (3)–1, the following:

SEC. 111. INCOME RECEIVED FROM ESTATES, ETC., UNDER GIFTS, BEQUESTS, ETC. (Revenue Act of 1942, Title I.)

(a) *Gift of income from property not excluded from gross income.* Section 22 (b) (3) (relating to exclusion of gifts, etc., from gross income) is amended to read as follows:

(3) *Gifts, bequests, devises, and inheritances.* The value of property acquired by gift, bequest, devise, or inheritance. There shall not be excluded from gross income under this paragraph, the income from such property, or, in case the gift, bequest, devise, or inheritance is of income from property, the amount of such income. For the purposes of this paragraph, if, under the terms of the gift, bequest, devise, or inheritance, payment, crediting, or distribution thereof is to be made at intervals, to the extent that it is paid or credited or to be distributed out of income from property, it shall be considered a gift, bequest, devise, or inheritance of income from property;

* * * * * *

(e) *Taxable years to which amendments applicable.* The amendments made by this section shall be applicable only with respect to taxable years beginning after December 31, 1941; except that in the case of income paid, credited or to be distributed or amounts paid, credited or to be distributed by an estate or trust the amendments made by this section shall be applicable only with respect to such income and such amounts paid, credited or to be distributed on or after the beginning of the first taxable year of the estate or trust, as the case may be, beginning after December 31, 1941.

PAR. 3. Section 19.22 (b) (3)–1, as amended by Treasury Decision 5194, is further amended to read as follows:

§ 19.22 (b) (3)–1 *Gifts and bequests.* Property received as a gift, or received under a will or under statutes of descent and distribution, is not includible in gross income, although the income from such property is includible in gross income. If the gift, bequest, devise, or inheritance is of income from property, it is not to be excluded from gross income. An amount of principal paid under a marriage settlement is a gift. As to alimony or an allowance paid upon divorce or legal separation, see § 19.22 (k)–1.

Section 22 (b) (3), as amended by the Revenue Act of 1942, provides a special rule for the treatment of gifts, bequests, devises, or inheritances which by their terms are to be paid, credited, or to be distributed at intervals. To the extent any such gift, bequest, devise, or inheritance is paid, credited, or to be distributed out of income from property, it shall be considered a gift, bequest, devise, or inheritance of income from property. This section is designed to provide the same treatment for amounts of income from property which income is paid, credited, or to be distributed under a gift or bequest, whether the gift or bequest is in terms of a right to payments at intervals (regardless of income) or is in terms of a right to income. To the extent the amounts in either case are paid, credited, or to be distributed at intervals out of income they are not to be excluded under section 22 (b) (3) from the taxpayer's gross income. As to the extent such amounts are paid, credited, or to be distributed out of income from property in cases in which the payment, crediting, or distribution thereof is to be made by an estate or trust, see section 162 and the regulations thereunder.

The operation of the last sentence of section 22 (b) (3), as added by the Revenue Act of 1942, may be illustrated by the following example:

Example. A, by his will, gave his wife an annuity of $50,000 to be paid in advance in quarterly payments. By another clause of his will, A bequeathed the residue of his property in trust with directions to the trustees to collect the income from the property and to pay the annuity of $50,000 out of such income (after payment of expenses), or out of corpus to the extent such income is insufficient. Under the provisions of section 22 (b) (3), the $50,000 will be included in the wife's income each year and, under the provisions of section 162 (b), will be deducted from the income of the trust to the extent of the income of the trust for its taxable year which is considered under section 162 (d) to be distributed in satisfaction of the annuity.

The last sentence of section 22 (b) (3) as added by the Revenue Act of 1942, however, applies only to such amounts as are to be paid or credited at intervals. Thus, a bequest of money or property (other than income) intended to be paid in a lump sum or at one time is not to be included in the legatee's gross income, even though the executor may for reasons of convenience or necessity arrange to pay such amount in installments or pay it out of funds traceable as the income of property. However, payments at intervals do not need to be at regular intervals to come within the rule stated in the last sentence of section 22 (b) (3), as added by the Revenue Act of 1942. Thus, in case of a direction in a testamentary trust to pay $5,000 a year to John for his life but to pay the $5,000 a year to Mary instead of John for any year in which Mary becomes 18, graduates from college, or marries, the $5,000 a year is income to John and Mary, respectively, in the years in which each is to receive it, to the extent it is paid or credited in such years out of income from the trust property.

Section 22 (b) (3), as amended by the Revenue Act of 1942, is not intended to state a new rule with respect to taxability of trust income between the nominal beneficiary and the creator of the trust where the latter would be taxable under section 22 (a), section 166, or section 167 upon the income of the trust, or with respect to the assignment of earnings or other income where the assignor remains taxable. The section applies only to those cases where the amounts paid, credited, or to be distributed at intervals out of income would be excluded from the beneficiary's or donee's income by reason of the provisions of section 22 (b) (3), prior to its amendment by the Revenue Act of 1942.

PAR. 4. There is inserted immediately preceding § 19.162–1, the following:

SEC. 111. INCOME RECEIVED FROM ESTATES, ETC., UNDER GIFTS, BEQUESTS, ETC. (Revenue Act of 1942, Title I.)

* * * * *

(b) *Deduction of income to be distributed currently.* Section 162 (b) (relating to deduction of income to be distributed currently) is amended to read as follows:

(b) There shall be allowed as an additional deduction in computing the net income of the estate or trust the amount of the income of the estate or trust for its taxable year which is to be distributed currently by the fiduciary to the legatees, heirs, or beneficiaries, but the amount so allowed as a deduction shall be included in computing the net income of the legatees, heirs, or beneficiaries whether distributed to them or not. As used in this subsection, "income which is to be distributed currently" includes income for the taxable year of the estate or trust which, within the taxable year, becomes payable to the legatee, heir, or beneficiary. Any amount allowed as a deduction under this paragraph shall not be allowed as a deduction under subsection (c) of this section in the same or any succeeding taxable year;

(c) *Trust income included in income of beneficiary, etc.* Section 162 (relating to net income of estates or trusts) is amended by striking out the period at the end of subsection (c) and inserting in lieu thereof a semicolon and the following new subsection:

(d) *Rules for application of subsections (b) and (c).* For the purposes of subsections (b) and (c):

(1) *Amounts distributable out of income or corpus.* In cases where the amount paid, credited, or to be distributed can be paid, credited, or distributed out of other than income, the amount paid, credited, or to be distributed (except under a gift, bequest, de-

vise, or inheritance not to be paid, credited, or distributed at intervals) during the taxable year of the estate or trust shall be considered as income of the estate or trust which is paid, credited, or to be distributed if the aggregate of such amounts so paid, credited, or to be distributed does not exceed the distributable income of the estate or trust for its taxable year. If the aggregate of such amounts so paid, credited, or to be distributed during the taxable year of the estate or trust in such cases exceeds the distributable income of the estate or trust for its taxable year, the amount so paid, credited, or to be distributed to any legatee, heir, or beneficiary shall be considered income of the estate or trust for its taxable year which is paid, credited, or to be distributed in an amount which bears the same ratio to the amount of such distributable income as the amount so paid, credited, or to be distributed to the legatee, heir, or beneficiary bears to the aggregate of such amounts so paid, credited, or to be distributed to legatees, heirs, and beneficiaries for the taxable year of the estate or trust. For the purposes of this paragraph "distributable income" means either (A) the net income of the estate or trust computed with the deductions allowed under subsections (b) and (c) in cases to which this paragraph does not apply, or (B) the income of the estate or trust minus the deductions provided in subsections (b) and (c) in cases to which this paragraph does not apply, whichever is the greater. In computing such distributable income the deductions under subsections (b) and (c) shall be determined without the application of paragraph (2).

(2) *Amounts distributable out of income of prior period.* In cases, other than cases described in paragraph (1), if on a date more than 65 days after the beginning of the taxable year of the estate or trust, income of the estate or trust for any period becomes payable, the amount of such income shall be considered income of the estate or trust for its taxable year which is paid, credited, or to be distributed to the extent of the income of the estate or trust for such period, or if such period is a period of more than 12 months, the last 12 months thereof.

(3) *Distributions in first 65 days of taxable year.*

(A) *General rule.* If within the first 65 days of any taxable year of the estate or trust, income of the estate or trust, for a period beginning before the beginning of the taxable year, becomes payable, such income, to the extent of the income of the estate or trust for the part of such period not falling within the taxable year or, if such part is longer than 12 months, the last 12 months thereof, shall be considered, paid, credited, or to be distributed on the last day of the preceding taxable year. This subparagraph shall not apply with respect to any amount with respect to which subparagraph (B) applies.

(B) *Payable out of income or corpus.* If within the first 65 days of any taxable year of the estate or trust, an amount which can be paid at intervals out of other than income becomes payable, there shall be considered as paid, credited, or to be distributed on the last day of the preceding taxable year the part of such amount which bears the same ratio to such amount as the part of the interval not falling within the taxable year bears to the period of the interval. If the part of the interval not falling within the taxable year is a period of more than 12 months, the interval shall be considered to begin on the date 12 months before the end of the taxable year.

* * * * *

(e) *Taxable years to which amendments applicable.* The amendments made by this section shall be applicable only with respect to taxable years beginning after December 31, 1941; except that in the case of income paid, credited or to be distributed or amounts paid, credited or to be distributed by an estate or trust the amendments made by this section shall be applicable only with respect to such income and such amounts paid, credited or to be distributed on or after the beginning of the first taxable year of the estate or trust, as the case may be, beginning after December 31, 1941.

PAR. 5. Section 19.162–1, as amended by Treasury Decision 5194, is further amended as follows:

(A) By changing (1), (2), and (3), following the colon in the second paragraph, to (a), (b), and (c), respectively, and by further changing (b) to read as follows:

(b) Any income of the estate or trust for its taxable year which is to be distributed currently by the fiduciary to a legatee, heir, or beneficiary, whether or not such income is actually distributed. For this purpose, it is provided in section 162 (b), as amended by the Revenue Act of 1942, that "income which is to be distributed currently" includes income of the estate or trust which, within the taxable year, becomes payable to the legatee, heir, or beneficiary.

(B) By striking from the paragraph following the matter in (c), "either paragraph (2) or (3) of this section" and by inserting in lieu thereof "either (b) or (c) of this section of the regulations".

(C) By changing the fourth and fifth paragraphs (not counting (a), (b), and (c) as paragraphs) to read as follows:

There is taxable to the estate or to the trust, unless it be taxable to the grantor of the trust (see §§ 19.166–1 and 19.167–1):

(1) All income thereof accumulated for the benefit of unborn or unascertained persons or persons with contingent interests,

(2) All income either accumulated or held for future distribution pursuant to the terms of the will or trust,

(3) All other income of the estate or trust for its taxable year which is not to be distributed currently to legatees or other beneficiaries (see (b) of this section of the regulations),

(4) All income of the estate for its taxable year not properly paid or credited during such year to a legatee or heir, and

(5) All income either of the estate or of the trust for its taxable year which is not similarly paid or credited during that year to a legatee, heir, or beneficiary in case there was vested in the fiduciary a discretion either to distribute or to accumulate such income (see (c) of this section of the regulations).

In all such cases the tax is payable by the fiduciary, except where the income is taxable to the grantor of the trust or where, as provided in the next paragraph, it is deductible by the estate or trust (and is taxable to the legatee or beneficiary).

Income described in clauses (1), (2), (4), and (5) of the preceding paragraph may, in some cases, be deductible by the estate or trust under (b) of this section of the regulations. It is expressly provided in section 162 (b), as amended by the Revenue Act of 1942, that such income of the estate or trust for its taxable year which, within its taxable year, becomes payable to the legatee, heir, or beneficiary is deductible by the estate or trust. Thus, if income of a trust is to be accumulated until A, the beneficiary, reaches his twenty-first birthday, which is December 31, 1942, the income of the trust (assuming the income tax returns of the trust are made on the calendar year basis) for the calendar year 1942 is to be deducted by the trust under section 162 (b) in computing its net income for 1942 and is to be included in the income of A for his taxable year in which December 31, 1942, falls. In the case of a similar trust, where the twenty-first birthday of B, the beneficiary, was on July 1, 1942, and the income of the trust was to be accumulated until that date and then to be distributed to B at such time as the trustee in his discretion decides, if the trustee on December 31, 1942, decides to distribute the accumulated income to B, the income becomes payable to B on December 31, 1942, whether distributed to him or not. In such a case, the extent to which such amount is considered to be payable out of income of the trust for its taxable year is determined under section 162 (d) (2) and § 19.162–2 (b).

Any amount described in (b) and (c) of this section of the regulations as being deductible from the gross income of the estate or trust shall be included in computing the net income of the legatees, heirs, or beneficiaries, whether distributed to them or not. As to the amount of income of the estate or trust which is considered paid, credited, or to be distributed, and the time thereof, for the purposes of the deduction under (b) and (c) of this section of the regulations and the inclusion in income of the legatee, heir, or beneficiary, see section 162 (d) and § 19.162–2.

PAR. 6. There is inserted immediately following § 19.162–1, the following section:

§ 19.162–2 *Allocation of estate and trust income to legatees and beneficiaries*—(a) *Allocation among annuitants.* Section 162 (d) (1), as added by the Revenue Act of 1942, applies to all cases in which the executor or trustee can or must (by the terms of the trust instrument or will) pay the whole or any part of a gift, bequest, devise, or inheritance out of other than income, except that no income is to be allocated under it to a legatee, heir, or beneficiary of a lump sum gift, bequest, devise, or inheritance. It applies in all cases of annuities where any deficiency in the amount to be paid can be made up by a payment out of corpus of the trust. It also applies in cases where amounts are to be paid or credited at intervals and the executor or trustee has discretion whether to pay or credit such amounts out of income or corpus, regardless of the source (income or corpus) to which the executor or trustee attributes such amount. If an annuity is paid, credited, or to be distributed tax-free, that

is, under a provision whereby the executor or trustee will pay the income tax of the annuitant resulting from the receipt of the annuity, the payment of or for the tax by the executor or trustee will be income to the annuitant under the rules of section 162 (d) to the extent such payment is treated thereunder as out of income.

The method of allocating income of the estate or trust for its taxable year in cases to which section 162 (d) (1) applies is as follows: The aggregate of all amounts which can be paid, credited, or distributed out of other than income (except under a gift, bequest, devise, or inheritance not to be paid, credited, or to be distributed at intervals (is obtained. The aggregate of such amounts is considered to be paid, credited, or distributed in such cases out of income of the estate or trust for its taxable year if it does not exceed the distributable income of the estate or trust for its taxable year. If the aggregate of such amounts does exceed the distributable income of the estate or trust for its taxable year, the portion of such amount paid, credited, or to be distributed to a legatee or beneficiary is considered income of the estate or trust for its taxable year which is paid, credited, or to be distributed in an amount which bears the same ratio to the amount of all distributable income as the amount so paid, credited, or to be distributed to the legatee or beneficiary bears to the aggregate of such amounts so paid, credited, or to be distributed to such legatees or beneficiaries for the taxable year of the estate or trust. The proportion stated in the preceding sentence applies only to legatees or beneficiaries of amounts which can be paid, credited, or distributed out of other than income of the estate or trust and, in computing such proportion, the amount of any gift, bequest, devise, or inheritance not to be paid, credited, or distributed at intervals is not to be included.

Section 162 (d) (1) introduces a concept of distributable income. This is defined in that section as meaning (A) the net income of the estate or trust computed with the deductions allowed under subsections (b) and (c) of section 162 in the case of amounts paid, credited, or to be distributed to which section 162 (d) (1) does not apply, or (B) the income of the estate or trust minus the deductions provided in subsections (b) and (c) of section 162 in the case of amounts paid, credited, or to be distributed to which section 162 (d) (1) does not apply, whichever is greater. "Net income", as thus used, means the statutory net income of the trust under the Code before the application of section 162 (b) and (c) (but, as stated in the preceding sentence, such amount is to be reduced by the deductions allowed under subsections (b) and (c) of section 162 for amounts to which subsection (d) (2) applies). "Income", as thus used, must be determined in accordance with the following principles. First, such "income" means, in general, the amount which under the applicable law of estates and trusts is considered income available for distribution to the life tenant, legatee, or beneficiary, as the case may be. Second, there must be eliminated from the income of the estate or trust, determined in accordance with the terms of the trust instrument and State law, items of income which are no includible in income of an individual for Federal income tax purposes. Therefore the "income", referred to in clause (B) of section 162 (d) (1), may exceed net income and thus be treated as distributable income under section 162 (d) in cases where items which are deductible for Federal income tax purposes are, by the terms of the trust instrument or State law, not to be used to reduce income available for distribution but to be allocated to corpus. The application of section 162 (d) (1), in general, may be illustrated by the following example:

Example. Pursuant to the terms of the will of A, a trust is established on January 1, 1942, to pay $5,000 a year to B in quarterly installments at the end of every three months, and upon the death of B to pay the corpus and any accumulated income to his estate. The returns of the trust and of B are made on the calendar year basis. The trust instrument provides that the amount payable to B is to be paid out of income (after payment of trustees' commissions) or out of corpus to the extent income is insufficient. The receipts and expenditures of the trust for 1942 are as follows:

Taxable stock dividend	$1,000
Income from rents	3,000
Tax-exempt interest from State bonds	1,000
Gain from sale of capital asset held 10 months	1,000
Deductible trustees' commissions	200
Other deductible expenditures	1,300

In accordance with the terms of the trust instrument stock dividends are to be allocated to corpus, gain from sale of a capital asset held not more than one year is to be allocated to income, and trustees' commissions are to be charged to income. However, the other expenditures indicated above ($1,300) are of a nature which under the terms of the trust instrument are to be charged to corpus. The distributable income of the trust to be deducted by it for 1942 and included in the beneficiary's income for such year is $3,300, the greater of the statutory net income and the available trust income includible in gross income, determined as follows:

STATUTORY NET INCOME (PRIOR TO APPLICATION OF SECTION 162 (B) AND (C))

Gross income:		
Stock dividend	$1,000	
Rents	3,000	
Long-term capital gain (50 percent taken into account, section 117 (b))	500	
		$4,500
Deductions:		
Trustees' commissions	$200	
Other deductible expenses	1,300	
		1,500
Net income		3,000

TRUST INCOME UNDER CLAUSE (B) OF SECTION 162 (D) (1)

Income:		
Rents	$3,000	
Interest from State bonds	1,000	
Gain on sale of asset	1,000	
		$5,000
Expenses allocated to income:		
Trustees' commissions	$200	
Eliminating items not includible in gross income:		
Tax-exempt interest	1,000	
Excluded gain on sale of asset	500	
		$1,700
Income determined under section 162 (d) (1) (B)		3,300

"Net income" and "income" for the purpose of section 162 (d) (1) also do not include income of a prior taxable year, even though such income may be considered income of the estate or trust for the current taxable year under section 162 (d) (2). This rule may be illustrated by the following example:

Example. Under the terms of a trust, established in 1925, the trustees are to accumulate the income thereof until A reaches his 21st birthday, and then are to pay A such accumulated income, and on each December 31 thereafter, are to pay B $5,000, out of income of the trust, if income is available, or, if not, out of corpus of the trust. A became 21 years of age on June 30, 1942. The returns of the trust and of A and B are made on the calendar year basis. Under section 162 (b), the income of the trust for that part of 1942 on and before June 30, 1942, is to be considered income of the trust for 1942 which is to be distributed currently to A. In computing the distributable income of the trust for 1942 which is to be considered distributed to B in payment of the $5,000 annuity, the amount of income for the first six months of 1942 which is considered to be currently distributable to A is to be deducted. Although under section 162 (d) (2) the amount of the income of the trust for the period July 1, 1941, through June 30, 1942, will be considered income of the trust for 1942 which is to be deducted by the trust and included in A's income for 1942 (see subsection (b) of this section), for the purposes of section 162 (d) (1) such amount is not to be deducted from the trust's income for 1942 in computing its distributable income considered to be distributed to B and no account is to be taken of the income of the trust for the period July 1, 1941, through December 31, 1941.

(b) *Allocation among income beneficiaries.* Section 162 (d) (2), as added by the Revenue Act of 1942, applies in cases where income of the estate or trust for any period becomes payable on a date more than 65 days after the beginning of its taxable year. It applies only where amounts paid, credited, or to be distributed must be paid solely out of income; and, in such cases, it applies whether such amounts are paid, credited, or to be distributed out of the income of the estate or trust for its current taxable year or out of the income for any period. Section 162 (d) (2) does not apply in any case to which section 162 (d) (1) applies. It includes a rule for allocating income of the estate or trust to the legatees or beneficiaries in cases in which the income of a prior period is paid, credited, or to be distributed to the legatees or beneficiaries during the taxable year of the estate or trust. The application of section 162 (d) (2) may be illustrated by the following examples:

Example (1). A trust, which makes its returns on the calendar year basis, is to distribute on each July 1 the income for the

preceding 12-month period ending on the day before (June 30). For the purpose of the tax for 1941, the income of the trust from July 1, 1941, through December 31, 1941, is includible in the income of the trust for 1941 without any deduction for any distribution in 1941 or 1942. For the purpose of the tax for 1942, the income of the trust from July 1, 1941, through June 30, 1942, will be considered income for the taxable year 1942 which is to be distributed to the beneficiary (on July 1) in the taxable year 1942. Assuming the beneficiary makes his income tax returns on the calendar year basis, he will include such income in his income for 1942 and the trust will take a deduction for it in 1942. The same process will be repeated each year thereafter as long as the accounting periods and the distribution date remain the same. Thus if, in such a case, the trust receives $100 of income each month, for 1941 the trust will be taxed upon $600 of net income. For each of the taxable years ending December 31, 1942, and December 31, 1943, the trust will include $1,200 in its gross income and will receive a deduction in computing its tax for such years of the whole $1,200 which becomes payable each July 1 and which is included in the beneficiary's income for 1942 and 1943. Thus, for 1942 and 1943 the trust will pay no income tax and, for each of such years, the beneficiary will include $1,200 in computing his net income.

Example (2). Under the terms of the will of X, who died in 1940, after payment of expenses and specific bequests, the residue of his estate, together with the income accumulated during the period of administration, is to be divided into two equal shares and one of such shares is to be paid over to his widow and the other is to be paid over to a testamentary trust for the benefit of his children. During the period of administration the estate makes its returns on the calendar year basis. The administration of the estate is terminated on June 30, 1942, at which date equal shares of the residue of the estate and of the accumulated income are transferred in accordance with the terms of the will to the widow and to a trust established as of such date. Under section 162 (d) (2) the widow and the trust will include in their income tax returns filed for their first taxable years ending on or after June 30, 1942, one-half of the income of the estate for the 12 months preceding June 30, 1942. The return of the estate for 1942 will show a deduction of the amount of its income for the 12 months preceding June 30, 1942, which became payable on such date to the widow and to the trust upon termination of the administration of the estate.

The rules also applies in the case of a distribution out of income for a period which does not include any part of the current taxable year. Thus, in the case of a trust established on January 1, 1941, which accumulates the income in the first year of the trust and each year thereafter (more than 65 days after the close of the prior taxable year) distributes the prior year's accumulation, the 1941 accumulated income to be distributed in 1942 will be considered income of the trust for 1942 which is to be distributed in 1942.

If the prior period, the income of which becomes payable in the taxable year, is a period of more than 12 months, then only the income of the last 12 months of such period is considered to be income which is to be distributed during the current taxable year. This rule may be illustrated by the following example:

Example. Under the terms of a testamentary trust, established in 1920, the income of the trust is to be accumulated until B, the beneficiary, reaches his twenty-first birthday, which is June 30, 1942, and then is to be distributed along the corpus of the trust at such time as the trustee thereafter decides; the income of the trust after June 30, 1942, and until such time as the trustee decides to distribute the accumulated income and corpus to B is to be given to C. The returns of the trust are made on the calendar year basis. On December 31, 1942, the trustee decides to distribute to B, as of that date, the corpus and the income accumulated to June 30, 1942. Under section 162 (d) (2), the amount of accumulated income of the trust for the period July 1, 1941, through June 30, 1942, (the last 12 months of the period of accumulation) which becomes payable on December 31, 1942, is to be included in B's income. The amount of income of the trust for the period July 1, 1942, through December 31, 1942, is to be included in C's income. The trust will deduct such amounts under section 162 (b) in computing its taxable net income for 1942.

(c) *Distributions in first 65 days of taxable year.* Section 162 (d) (3), as added by the Revenue Act of 1942, is designed to apportion amounts paid, credited, or to be distributed within the first 65 days of the taxable year of the estate or trust to that part of such first 65 days and the preceding taxable year to which such amounts are attributable.

Section 162 (d) (3) (B) applies in cases described in section 162 (d) (1), that is, generally, in cases of annuities. If an annuity becomes payable in the first 65 days of the taxable year of the estate or trust, a proportionate part of the amount which thus becomes payable is considered payable on the last day of the preceding year. This proportionate part is that part of the amount which becomes payable within the first 65 days as the part of the interval not falling within the taxable year bears to the whole period of the interval. If, however, the part of the interval not falling within the taxable year (the year in which the amount becomes payable) is a period of more than 12 months the interval is considered to begin on a date 12 months before the end of the preceding taxable year. Thus, if $4,250 is to be paid every two years on March 1, the period of the interval ending March 1, 1943, is considered to begin 12 months preceding December 31, 1943, since the part of the interval not falling within the taxable year 1943 (March 2, 1941, through December 31, 1942) is more than 12 months. Accordingly, the interval is considered to be the period January 1, 1942, through March 1, 1943, or 425 days, and the part of the interval not falling within the taxable year is considered to be the calendar year 1942, or 365 days. Therefore, of the $4,250 which becomes payable on March 1, 1943, 365/425 of such amount, or $3,650, is considered to be an amount to be distributed on December 31, 1942. The provisions of section 162 (d) (1) determine the extent to which the amount distributed on March 1 and the amount considered to be distributed on December 31 are paid, credited, or to be distributed out of income of the estate or trust for its taxable year.

Section 162 (d) (3) (A) applies in the type of cases described in section 162 (d) (2) but only where income is paid, credited, or to be distributed within the first 65 days of the taxable year of the estate or trust. In such cases, if income of the estate or trust for a period beginning before the beginning of the taxable year becomes payable within the first 65 days of the taxable year, the income for the part of such period not falling within the taxable year is considered to be paid, credited, or distributed on the last day of the preceding taxable year. If the part of such period beginning before the beginning of the taxable year is more than 12 months, only the income of the last 12 months of such part is considered paid, credited, or to be distributed on the last day of the preceding taxable year. If the amount of income for any period paid, credited, or to be distributed to a legatee or beneficiary during the taxable year of the estate or trust is less than the total amount of income (not already paid, credited, or to be distributed to legatees or beneficiaries) for such period, such amount will be considered paid, credited, or to be distributed from the most recently accumulated income of the period. For example, a trust which makes its returns on the calendar year basis and which is to distribute the income of the trust, but not in excess of $5,000, to the beneficiary each February 28 received $500 of income each month during the period March 1, 1942, through February 28, 1943, or a total of $6,000. In such case, $1,000 of the $5,000 to be distributed to the beneficiary on February 28, 1943, will be considered to be distributed out of the income of the trust for 1943 (the income of the period January 1, 1943, through February 28, 1943) and $4,000 will be considered to have been distributed to the beneficiary on December 31, 1942, out of the income of the trust for 1942.

Section 162 (d) (3) applies only to amounts paid, credited, or to be distributed on or after the beginning of the first taxable year of the estate or trust beginning after December 31, 1941. The allocation of amounts paid, credited, or to be distributed within the first 65 days of the first taxable year in 1942 of the estate or trust to the last day of the prior taxable year is not intended to affect returns for periods ending before the beginning of such taxable year of the estate or trust. For example, where both trust and beneficiary are on a calendar year basis, their income tax returns for 1941 are not to reflect the portion of amounts allocable to 1941 under section 162 (d) (3). Their 1942 income tax returns also will not reflect any portion of amounts allocable to 1941 under section 162 (d) (3).

PAR. 7. There is inserted immediately following section 164, which follows § 19.163–1, the following:

SEC. 111. INCOME RECEIVED FROM ESTATES, ETC., UNDER GIFTS, BEQUESTS, ETC. (Revenue Act of 1942, Title I.)

* * * * * *

(d) *Technical amendment.* Section 104 (relating to different taxable years of estate or trust and beneficiary) is amended by striking out "beneficiary" and inserting in lieu thereof "legatee, heir, or beneficiary".

(e) *Taxable years to which amendments applicable.* The amendments made by this section shall be applicable only with respect

to taxable years beginning after December 31, 1941; except that in the case of income paid, credited or to be distributed or amounts paid, credited or to be distributed by an estate or trust the amendments made by this section shall be applicable only with respect to such income and such amounts paid, credited or to be distributed on or after the beginning of the first taxable year of the estate or trust, as the case may be, beginning after December 31, 1941.

(Sec. 62 of the Internal Revenue Code (53 Stat. 32; 26 U.S.C. 62) and section 111 of the Revenue Act of 1942 (Public Law 753, 77th Congress).)

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: January 19, 1943.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 43-997; Filed, January 20, 1943; 4:37 p. m.]

[T.D. 5217]

PART 19—INCOME TAX UNDER THE INTERNAL REVENUE CODE

CAPITAL GAINS AND LOSSES; REAL PROPERTY, INVOLUNTARY CONVERSIONS, ETC.; HOLDING PERIOD FOR CERTAIN STOCKS

In order to conform Regulations 103 [Part 19, Title 26, Code of Federal Regulations, 1940 Sup.], to certain sections[1] of the Revenue Act of 1942 (Public Law 753, 77th Congress), approved October 21, 1942, such regulations are amended to read as follows:

PARAGRAPH 1. There is inserted immediately preceding § 19.112 (f)–1 the following:

SEC. 151. REAL PROPERTY; INVOLUNTARY CONVERSIONS; ETC. (Revenue Act of 1942, Title I.)

* * * * *

(d) *Recognition of loss on involuntary conversions.* Section 112 (f) (relating to the nonrecognition of gain and loss on involuntary conversions) is amended by striking out "no gain or loss shall be recognized" and inserting in lieu thereof "no gain shall be recognized, but loss shall be recognized".

(e) *Partial failure to replace property.* The last sentence of section 112 (f) is amended to read as follows: "If any part of the money is not so expended, the gain, if any, shall be recognized to the extent of the money which is not so expended (regardless of whether such money is received in one or more taxable years and regardless of whether or not the money which is not so expended constitutes gain).

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 2. Section 19.112 (f)–1 is amended by inserting immediately after the heading the following paragraph:

Upon the involuntary conversion of property described in section 112 (f), no gain is recognized if the provisions of that section are complied with. If any part of the money received as a result of such an involuntary conversion is not expended in the manner provided in section 112 (f), the gain, if any, is recognized to the extent of the money which is not so expended. For example, a vessel purchased by A in 1939 for $100,000 is destroyed by an enemy submarine in 1942, and A receives in 1942 insurance in the amount of $100,000. This money is not expended in the manner provided in section 112 (f), but there is no gain since the insurance does not exceed the basis (disregarding, for the purposes of this example, the adjustment for depreciation). In 1947, A receives an award of $200,000 from the government on account of the destruction of the vessel. He expends this amount in the manner provided in section 112 (f). The gain in 1947 upon the receipt of this award is recognized to the extent of $100,000, the amount of the money received in 1942 which was not expended in the manner provided in section 112 (f). For taxable years beginning before January 1, 1942, no loss is recognized as a result of an involuntary conversion described in section 112 (f). For taxable years beginning after December 31, 1941, the loss sustained as a result of an involuntary conversion described in section 112 (f) is recognized. The expenditure in the manner provided in section 112 (f) of money received upon an involuntary conversion is not necessary for the transaction to be considered completed for the purpose of determining such loss.

PAR. 3. The first sentence of § 19.112 (f)–2 is amended to read as follows:

In any case where the taxpayer elects to replace or restore the converted property but it is not practicable to do so immediately (for example, because of the taxpayer's inability to obtain priorities, or because of other wartime restrictions), he may obtain permission to establish a replacement fund in his accounts in which part or all of the compensation so received shall be held, without deduction for the payment of any mortgage.

PAR. 4. There is inserted immediately preceding § 19.117–1 the following:

SEC. 150. CAPITAL GAINS AND LOSSES. (Revenue Act of 1942, Title I.)

(a) *Definitions*—(1) *Holding period, short- and long-term gains and losses.* Section 117 (a) is amended by striking out "18 months" wherever occurring therein and inserting in lieu thereof "6 months".

(2) *Net short-term gain.* Section 117 (a) (6) is amended to read as follows:

(6) *Net short-term capital gain.* The term "net short-term capital gain" means the excess of short-term capital gains for the taxable year over the short-term capital losses for such year;.

(b) *Definitions of "net capital gain" and "net capital loss".* Section 117 (a) is amended by inserting at the end thereof the following new paragraphs:

(10) *Net capital gains*—(A) *Corporations.* In the case of a corporation, the term "net capital gain" means the excess of the gains from sales or exchanges of capital assets over the losses from such sales or exchanges; and

(B) *Other taxpayers.* In the case of a taxpayer other than a corporation, the term "net capital gain" means the excess of (i) the sum of the gains from sales or exchanges of capital assets, plus net income of the taxpayer or $1,000, whichever is smaller, over (ii) the losses from such sales or exchanges. For purposes of this subparagraph, net income shall be computed without regard to gains or losses from sales or exchanges of capital assets.

(11) *Net capital loss.* The term "net capital loss" means the excess of the losses from sales or exchanges of capital assets over the sum allowed under subsection (d). For the purpose of determining losses under this paragraph, amounts which are short-term capital losses under subsection (e) (1) shall be excluded.

(c) *Rule on taxability, limitation on losses, and carry-over.* Section 117 (b), (c), (d), and (e) are amended to read as follows:

(b) *Percentage taken into account.* In the case of a taxpayer, other than a corporation, only the following percentages of the gain or loss recognized upon the sale or exchange of a capital asset shall be taken into account in computing net capital gain, net capital loss, and net income:

100 per centum if the capital asset has been held for not more than 6 months;

50 per centum if the capital asset has been held for more than 6 months.

(c) *Alternative taxes*—(1) *Corporations.* If for any taxable year the net long-term capital gain of any corporation exceeds the net short-term capital loss, there shall be levied, collected, and paid, in lieu of the tax imposed by sections 13, 14, 15, 204, 207 (a) (1) or (3), and 500, a tax determined as follows, if and only if such tax is less than the tax imposed by such sections:

A partial tax shall first be computed upon the net income reduced by the amount of such excess, at the rates and in the manner as if this subsection had not been enacted, and the total tax shall be the partial tax plus 25 per centum of such excess.

(2) *Other taxpayers.* If for any taxable year the net long-term capital gain of any taxpayer (other than a corporation) exceeds the net short-term capital loss, there shall be levied, collected, and paid, in lieu of the tax imposed by sections 11 and 12, a tax determined as follows, if and only if such tax is less than the tax imposed by such sections:

A partial tax shall first be computed upon the net income reduced by the amount of such excess, at the rates and in the manner as if this subsection had not been enacted, and the total tax shall be the partial tax plus 50 per centum of such excess.

(d) *Limitation on capital losses*—(1) *Corporations.* In the case of a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of gains from such sales or exchanges.

(2) *Other taxpayers.* In the case of a taxpayer, other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of the gains from such sales or exchanges, plus the net income of the taxpayer of (sic) $1,000, whichever is smaller. For purposes of this paragraph, net income shall be computed without regard to gains or losses from sales or exchanges of capital assets.

(e) *Capital loss carry-over*—(1) *Method of computation.* If for any taxable year beginning after December 31, 1941, the taxpayer has a net capital loss, the amount thereof shall be a short-term capital loss in each of the five succeeding taxable years to the extent that such amount exceeds the total of any net capital gains of any taxable years intervening between the taxable year in which the net capital loss arose and such succeeding taxable year. For purposes of this paragraph a net capital gain shall be computed without regard to such net cap-

[1] Sec. 150. Capital gains and losses. Sec. 151. Real property; involuntary conversions; etc. Sec. 152. Holding period of stock acquired through exercise of rights.

ital loss or to any net capital losses arising in any such intervening taxable years.

(2) *Rule for application of capital loss carryover from 1941.* The amount of the net short-term capital loss of the last taxable year beginning in 1941 (computed without regard to amounts treated as short-term capital losses from the preceding taxable year), which is not in excess of the net income for such taxable year, shall, to the extent of the net short-term capital gain for the succeeding taxable year (computed without regard to this paragraph), be a short-term capital loss of such succeeding taxable year.

(d) *Bond, etc., losses of banks.* Section 117 is amended by inserting at the end thereof the following new subsection:

(l) *Bond, etc., losses of banks.* For the purposes of this chapter, in the case of a bank, as defined in section 104, if the losses of the taxable year from sales or exchanges of bonds, debentures, notes, or certificates, or other evidence of indebtedness issued by any corporation (including one issued by a government or political subdivision thereof) with interest coupons or in registered form, exceed the gains of the taxable year from such sales or exchanges, no such sale or exchange shall be considered a sale or exchange of a capital asset.

* * * * *

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

SEC. 151. REAL PROPERTY; INVOLUNTARY CONVERSIONS; ETC. (Revenue Act of 1942, Title I.)

(a) *Real property not treated as capital asset.* Section 117 (a) (1) (relating to the definition of "capital assets") is amended by inserting immediately before the semicolon at the end thereof a comma and the following: "or real property used in the trade or business of the taxpayer".

(b) *Gains and losses from involuntary conversion and from the sale or exchange of certain property used in the trade or business.* Section 117 (relating to capital gains and losses) is amended by inserting at the end thereof the following new subsection:

(j) *Gains and losses from involuntary conversion and from the sale or exchange of certain property used in the trade or business.*

(1) *Definition of property used in the trade or business.* For the purposes of this subsection, the term "property used in the trade or business" means property used in the trade or business, of a character which is subject to the allowance for depreciation provided in section 23 (l), held for more than 6 months, and real property used in the trade or business, held for more than 6 months, which is not (A) property of a kind which would properly be includible in the inventory of the taxpayer if on hand at the close of the taxable year, or (B) property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business.

(2) *General rule.* If, during the taxable year, the recognized gains upon sales or exchanges of property used in the trade or business, plus the recognized gains from the compulsory or involuntary conversion (as a result of destruction in whole or in part, theft or seizure, or an exercise of the power of requisition or condemnation or the threat or imminence thereof) of property used in the trade or business and capital assets held for more than 6 months into other property or money, exceed the recognized losses from such sales, exchanges, and conversions, such gains and losses shall be considered as gains and losses from sales or exchanges of capital assets held for more than 6 months. If such gains do not exceed such losses, such gains and losses shall not be considered as gains and losses from sales or exchanges of capital assets. For the purposes of this paragraph:

(A) In determining under this paragraph whether gains exceed losses, the gains and losses described therein shall be included only if and to the extent taken into account in computing net income, except that subsections (b) and (d) shall not apply.

(B) Losses upon the destruction, in whole or in part, theft or seizure, or requisition or condemnation of property used in the trade or business or capital assets held for more than 6 months shall be considered losses from a compulsory or involuntary conversion.

(c) *Holding period of property acquired in exchange for property involuntarily converted*—(1) *In general.* Section 117 (h) (1) is amended by inserting after the period at the end thereof the following new sentence: "For the purposes of this paragraph, an involuntary conversion described in section 112 (f) shall be considered an exchange of the property converted for the property acquired.

(2) *Taxable years to which applicable.* The amendment made by paragraph (1) shall be applicable with respect to taxable years beginning after December 31, 1938.

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SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

SEC. 152. HOLDING PERIOD OF STOCK ACQUIRED THROUGH EXERCISE OF RIGHTS. (Revenue Act of 1942, Title I.)

Section 117 (h) (relating to the holding period of capital assets) is amended by inserting at the end thereof the following new paragraph:

(6) In determining the period for which the taxpayer has held stock or securities acquired from a corporation by the exercise of rights to acquire such stock or securities, there shall be included only the period beginning with the date upon which the right to acquire was exercised.

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 5. Section 19.117–1, as amended by Treasury Decision 5086, approved October 10, 1941, is further amended as follows:

(A) By changing the second paragraph thereof to read as follows:

The exclusion from the term "capital assets" of property used in the trade or business of a taxpayer of a character which is subject to the allowance for depreciation provided in section 23 (l) and, for taxable years beginning after December 31, 1941, of real property used in the trade or business of a taxpayer is limited to such property used by the taxpayer in the trade or business at the time of the sale, exchange, or involuntary conversion. Property held for the production of income, but not used in a trade or business of the taxpayer, is not excluded from the term "capital assets" even though depreciation may have been allowed with respect to such property under section 23 (l) prior to its amendment by the Revenue Act of 1942. For taxable years beginning after December 31, 1941, gains and losses from the sale or exchange of such property are not subject to the percentage provisions of section 117 (b) and losses from such transactions are not subject to the limitations on losses provided in section 117 (d), except that under section 117 (j) the gains and losses from the sale or exchange of such property held for more than 6 months may be treated as gains and losses from the sale or exchange of capital assets, and may thus be subject to such limitations. See § 19.117–7. For taxable years beginning before January 1, 1942, real property used in the trade or business of the taxpayer is not excluded from the term "capital assets" unless it is property of a character subject to the allowance for depreciation provided in section 23 (l). For such taxable years, upon the sale or exchange of property used in the trade or business of the taxpayer which consists of land and the depreciable improvements upon the land, the limitations of section 117 (b), (c), and (d) prior to its amendment by the Revenue Act of 1942 apply to the gain or loss allocable to the land but not to the gain or loss allocable to the depreciable improvements upon the land. However, gain or loss upon the sale or exchange of land held by a taxpayer primarily for sale to customers in the ordinary course of his business, as in the case of a dealer in real estate, is not subject to the limitations of section 117 (b), (c), and (d). The term "ordinary net income" as used in these regulations for the purposes of section 117 means net income exclusive of gains and losses from the sale or exchange of capital assets.

(B) By striking out the third and fourth sentences of the sixth paragraph and inserting in lieu thereof the following two paragraphs:

For any taxable year beginning after December 31, 1938 and before January 1, 1942, the phrase "short-term" applies to the category of gains and losses arising from the sale or exchange of capital assets held for 18 months or less; the phrase "long-term" to the category of gains and losses arising from the sale or exchange of capital assets held for more than 18 months. For any such taxable year, the fact that some part of a short-term capital loss may be finally disallowed because of the operation of paragraph (2) of section 117 (d), prior to its amendment by the Revenue Act of 1939, or section 117 (d), as amended by that Act, does not mean that such loss is not "taken into account in computing net income" within the meaning of that phrase as used in section 117 (a) (3).

For any taxable year beginning after December 31, 1941, the phrase "short-term" applies to the category of gains and losses arising from the sale or exchange of capital assets held for 6 months or less; the phrase "long-term" to the category of gains and losses arising from the sale or exchange of capital assets held for more than 6 months. For any such taxable year, the fact that some part of a loss from the sale or exchange of a capital asset may be finally disallowed because of the operation of section 117 (d), as amended by the Revenue Act of 1942, does not mean that such loss is not "taken into account in computing

net income" within the meaning of that phrase as used in section 117 (a) (3) and (5).

(C) By striking out the seventh paragraph and inserting in lieu thereof the following new paragraph:

In the definition of "net short-term capital gain" for any taxable year beginning after December 31, 1938 and before January 1, 1942, as provided in section 117 (a) (6), prior to its amendment by the Revenue Act of 1942, reference is made in clause (B) thereof, to the net short-term capital loss of the preceding taxable year to the extent brought forward to the taxable year under subsection (e), prior to its amendment by the Revenue Act of 1942. For any such taxable year the amount so provided for is the net short-term capital loss carry-over, which is treated in the taxable year in question as a short-term capital loss. In this computation, the carry-over enters into the computation of the net short-term capital gain only in clause (B). The amount thereof is not to be included under clause (A) of section 117 (a) (6). Thus, for the purposes of clause (A), the short-term capital losses for any such taxable year are computed without reference to, or including, the amount provided for in section 117 (e). For example, during the taxable year 1939 an individual has a short-term capital gain of $10,000 and a short-term capital loss in that year of $4,000. During the taxable year 1938 he sustained a net short-term capital loss of $2,500 which was not in excess of his net income for that year. His net short-term capital gain for the taxable year 1939 is computed as follows:

1939 short-term capital gain		$10,000
Less:		
1939 short-term capital loss to be allowed under section 117 (a) (6) (A)	$4,000	
Net short-term capital loss of preceding taxable year to extent brought forward under section 117 (e) and allowed under section 117 (a) (6) (B)	2,500	
		6,500
Net short-term capital gain for 1939		3,500

In the definition of "net short-term capital gain" for any taxable year beginning after December 31, 1941, as provided in section 117 (a) (6), as amended by the Revenue Act of 1942, the amounts brought forward to the taxable year under subsection (e), as amended by the Revenue Act of 1942, are short-term capital losses for such taxable year.

(D) By striking out the eighth paragraph and inserting in lieu thereof the following new paragraph:

In the case of corporations for any taxable year beginning after December 31, 1939, and before January 1, 1942, and in the case of individuals for any taxable year beginning after December 31, 1938, and before January 1, 1942, gains and losses from the sale or exchange of capital assets held for not more than 18 months (described as short-term capital gains and short-term capital losses) shall be segregated from gains and losses arising from the sale or exchange of such assets held for more than 18 months (described as long-term capital gains and long-term capital losses). For taxable years beginning after December 31, 1941, gains and losses from the sale or exchange of capital assets held for not more than 6 months (described as short-term capital gains and short-term capital losses) shall be segregated from gains and losses arising from the sale or exchange of such assets held for more than 6 months (described as long-term capital gains and long-term capital losses). However, the percentage brackets of section 117 (b), both prior to and as amended by the Revenue Act of 1942, have no application to corporations, corporate gains and losses being taken into account to the full extent, without regard to the length of time the capital assets are held (though because of the limitation in section 117 (d) such losses may not be deductible in full).

(E) By inserting immediately after the eighth paragraph the following two new paragraphs:

For taxable years beginning after December 31, 1941, section 117 (a) (10) defines "net capital gain". In the case of a corporation the term "net capital gain" means the excess of the gains from sales or exchanges of capital assets over the losses from such sales or exchanges, which losses include any amounts brought forward pursuant to section 117 (e), as amended by the Revenue Act of 1942. In the case of a taxpayer other than a corporation the term "net capital gain" means the excess of (1) the sum of the gains from sales or exchanges of capital assets, plus net income (computed without regard to gains and losses from sales or exchanges of capital assets) of the taxpayer or $1,000, whichever is smaller, over (2) the losses from such sales or exchanges, which losses include amounts brought forward under section 117 (e), as amended by the Revenue Act of 1942. For application of the term "net capital gain", in computing the capital loss carry-over under section 117 (e), as amended by the Revenue Act of 1942, see § 19.117-2 (d).

For taxable years beginning after December 31, 1941, section 117 (a) (11) defines "net capital loss" to mean the excess of the losses from sales or exchanges of capital assets over the sum allowed under section 117 (d). However, amounts which are short-term capital losses under section 117 (e) (1) are excluded in determining such "net capital loss".

(F) By inserting at the end of the last paragraph thereof the following sentence:

* * * See also section 117 (j) and § 19.117-7 for the determination of whether or not gains and losses from the involuntary conversion of capital assets and from the sale, exchange, or involuntary conversion of certain property used in the trade or business shall be treated as gains and losses from the sale or exchange of capital assets.

PAR. 6. Section 19.117-2 is amended as follows:

(A) By striking out the first and second sentences of the second paragraph of paragraph (b) and inserting in lieu thereof the following sentences:

* * * For any taxable year beginning after December 31, 1939, and before January 1, 1942, there is, under section 117 (d), as amended by the Revenue Act of 1939, no distinction between corporations and taxpayers other than corporations insofar as limitations on capital losses are concerned. In the case of both classes of taxpayers for any such taxable year, losses from sales or exchanges of capital assets held for more than 18 months shall be allowed as deductions, but losses from sales or exchanges of capital assets held for 18 months or less shall be allowed as deductions only to the extent of the gains from sales or exchanges of capital assets held for 18 months or less.

(B) By striking out the next to last sentence in paragraph (b) and inserting in lieu thereof the following new sentence:

* * * Foreign personal holding companies and personal holding companies are not entitled, in computing their Supplement P net income and subchapter A net income, respectively, to the benefits of section 117 (d), prior to its amendment by the Revenue Act of 1942.

(C) By inserting immediately after the last paragraph of paragraph (b) the following new paragraph:

For any taxable year beginning after December 31, 1941, paragraph (1) of section 117 (d), as amended by the Revenue Act of 1942, provides that, in the case of a corporation, losses from sales or exchanges of capital assets shall be allowed as deductions only to the extent of the gains from such sales or exchanges, and paragraph (2) of such section provides that, in the case of a taxpayer other than a corporation, losses from sales or exchanges of capital assets shall be allowed as a deduction only to the extent of the gains from such sales or exchanges, plus net income (computed without regard to such gains or losses) of the taxpayer or $1,000, whichever is smaller. Thus, where an individual taxpayer, having an ordinary net income of $5,000, has a net long-term capital loss of $4,000, of which $2,000 (50% of $4,000) is taken into account, the net loss of $2,000 is allowable only to the extent of $1,000, the remaining $1,000 being an unallowable deduction. If the taxpayer's ordinary net income, computed without capital gains and losses, had been $400 instead of $5,000, only $400 of the net loss of $2,000 would have been allowed, giving the taxpayer no taxable income and an unallowable capital loss of $1,600. (For disposition of the unallowable capital loss, see § 19.117-2 (d).) However, in the case of banks, as defined in section 104, the limitation under paragraph (1) of section 117 (d) is modified by section 117 (i) so that the excess of any losses of the taxable year from sales or exchanges of

bonds, debentures, notes or certificates, or other evidence of indebtedness issued by any corporation (including one issued by a government or political subdivision thereof) with interest coupons or in registered form, over gains of the taxable year from such sales or exchanges may be deductible in full as an ordinary loss.

(D) By striking out the first sentence of paragraph (c) and inserting in lieu thereof the following new sentence:

A taxpayer sustaining, in any taxable year (beginning after December 31, 1937, and before January 1, 1942, in the case of a taxpayer other than a corporation, or beginning after December 31, 1939, and before January 1, 1942, in the case of a corporation) a net short-term capital loss may, under section 117 (e), as amended by the Revenue Act of 1939, carry over such loss, in an amount not in excess of the net income for such year (the year in which the loss is sustained) to the next succeeding taxable year and treat it in such succeeding year as a short-term capital loss. * * * *

(E) By striking out the next to last sentence in the first paragraph of paragraph (c) and inserting in lieu thereof the following new sentence:

* * * Foreign personal holding companies and personal holding companies are not entitled, in computing their Supplement P net income and subchapter A net income, respectively, to the benefits of section 117 (e), prior to its amendment by the Revenue Act of 1942.

(F) By inserting immediately after paragraph (c) the following new paragraph:

(d) *Net capital loss carry-over.* Any taxpayer sustaining, in any taxable year beginning after December 31, 1941, a net capital loss may, under section 117 (e) (1), as amended by the Revenue Act of 1942, carry over such loss to each of the five succeeding taxable years and treat it in each such five succeeding taxable years as a short-term capital loss to the extent not allowed as a deduction against any net capital gains of any taxable years intervening between the taxable year in which the net capital loss was sustained and the taxable year to which carried. The carry-over is thus applied in each succeeding taxable year to offset any net capital gain in such succeeding taxable year. The amount of the net capital loss carry-over may not be included in computing a new net capital loss of a taxable year which can be carried forward to the next five succeeding taxable years.

The practical operation of the provisions of section 117 (e) (1) may be illustrated by the following example:

For the taxable years 1942 to 1946, inclusive, a taxpayer is assumed to have a net short-term capital loss, net short-term capital gain, net long-term capital loss, net long-term capital gain, and net income as follows:

	1942	1943	1944	1945	1946
Carry-over from prior years:					
From 1942		($50,000)	($20,500)	($29,500)	
From 1944				(19,500)	($13,000)
Net short-term loss (computed without regard to the carry-overs)	($30,000)	(5,000)	(10,000)		
Net short-term gain (computed without regard to the carry-overs)				40,000	
Net long-term loss	(20,500)		(10,000)	(5,000)	
Net long-term gain		25,000			
Net capital gain (computed without regard to the carry-overs)		20,500		35,000	
Net income (computed without regard to capital gains or losses)	500	500	500	1,000	
Net capital loss	(50,000)	None	(19,500)	None	

NET CAPITAL LOSS OF 1942

The net capital loss is $50,000. This figure, computed in accordance with section 117 (b), is the excess of the losses from sales or exchanges of capital assets over the sum of (1) gains from such sales or exchanges, and (2) net income of $500. This amount may be carried forward in full to 1943. However, in 1943 there was a net capital gain of $20,500, as defined by section 117 (a) (10) (B) and limited by section 117 (e) (1), against which this net capital loss of $50,000 is allowed in part. The remaining portion—$29,500—may be carried forward to 1944 and 1945 since there was no net capital gain in 1944. In 1945 this $29,500 shall be allowed in full against net capital gain of $36,000, as defined by section 117 (a) (10) (B) and limited by section 117 (e) (1).

NET CAPITAL LOSS OF 1944

The net capital loss is $19,500. This figure, computed in accordance with section 117 (b), is the excess of the losses from sales or exchanges of capital assets over the sum of (1) gains from such sales or exchanges and (2) net income of $500. This amount may be carried forward in full to 1945. However, in 1945 there was a net capital gain of $6,500, as defined by section 117 (a) (10) (B) and limited by section 117 (e) (1), against which this net capital loss of $19,500 is allowed in part. The remaining portion—$13,000—may be carried forward to 1946.

PAR. 7. Section 19.117–3 is amended as follows:

(A) By striking out the first two paragraphs and inserting in lieu thereof the following two paragraphs:

For any taxable year beginning after December 31, 1938 and before January 1, 1942, in the case of a net long-term capital gain of a taxpayer other than a corporation, section 117 (c) (1), prior to its amendment by the Revenue Act of 1942, imposes an alternative tax in lieu of the tax imposed by sections 11 and 12, if and only if such alternative tax is less than the tax imposed by sections 11 and 12. For any such taxable year this alternative tax is the sum of (1) a partial tax, computed at the rates provided by sections 11 and 12, on the net income of the taxpayer, excluding therefrom for this purpose the amount of such net long-term capital gain, plus (2) 30 percent of the net long-term capital gain.

For any taxable year beginning after December 31, 1938 and before January 1, 1942, in the case of a net long-term capital loss of a taxpayer other than a corporation, an alternative tax is imposed in lieu of the tax imposed by sections 11 and 12, if and only if such tax is greater than the tax imposed by sections 11 and 12. For any such taxable year this alternative tax is the excess of (1) a tax, at the rates provided by sections 11 and 12, on the net income of the taxpayer, but excluding from the computation of such net income, the amount of such net long-term capital loss over (2) 30 percent of the net long-term capital loss.

(B) By striking out of the first sentence of the third paragraph the words "this section" and inserting in lieu thereof the words "the above two paragraphs".

(C) By inserting immediately after the last paragraph the following three paragraphs:

For any taxable year beginning after December 31, 1941, in case the net long-term capital gain of a taxpayer (other than a corporation) exceeds the net short-term capital loss, section 117 (c) (2) imposes an alternative tax in lieu of the tax imposed by sections 11 and 12, if and only if such alternative tax is less than the tax imposed by sections 11 and 12. For any such taxable year this alternative tax is the sum of (1) a partial tax, computed at the rates provided by sections 11 and 12, on the net income of the taxpayer, excluding therefrom for this purpose the amount of such excess of the net long-term capital gain over the net short-term capital loss, plus (2) 50 percent of such excess.

For any taxable year beginning after December 31, 1941, in case the net long-term capital gain of any corporation exceeds the net short-term capital loss, section 117 (c) (1) imposes an alternative tax in lieu of the tax imposed by sections 13, 14, 15, 204, 207 (a) (1) or (3), and 500, if and only if such alternative tax is less than the tax imposed by such sections. For any such taxable year this alternative tax is the sum of (1) a partial tax computed at the rates provided by sections 13, 14, 15, 204, 207 (a) (1) or (3), and 500 on the net income of the taxpayer, excluding therefrom for this purpose the amount of such excess of the net long-term capital gain over the net short-term capital loss, plus (2) 25 percent of such excess.

The following example will illustrate the practical operation of the provisions of this section, in the case of a taxpayer other than a corporation, with respect to any taxable year beginning after December 31, 1941:

Example. Suppose that A, an individual, has for the calendar year 1942, an ordinary net income of $100,000, none of which con-

sists of interest on the obligations of the United States or its instrumentalities. He is entitled to a personal exemption of $1,200 and to no credit for dependents, and his earned net income is $3,000. He realizes in that year a gain of $100,000 on a capital asset held for 19 months and sustained a loss of $20,000 on a capital asset held for 5 months. Since the alternative tax is less than the tax otherwise computed under sections 11 and 12, the correct tax is the alternative tax, that is, $79,126. The tax is computed as follows:

TAX UNDER SECTIONS 11 AND 12

Ordinary net income		$100,000
Net long-term capital gain: (50 percent of $100,000)	$50,000	
Net short-term capital loss: (100 percent of $20,000)	20,000	
Excess of the net long-term capital gain over the net short-term capital loss		30,000
Total net income		130,000
Less: Credit for personal exemption		1,200
Surtax net income		128,800
Less earned income credit (10 percent of $3,000)		300
Income subject to normal tax		128,500
Normal tax (6 percent of $128,500)		7,710
Surtax on $128,800		81,892
Total tax		89,602

ALTERNATIVE TAX UNDER SECTION 117 (c) (2)

Net income		$130,000.00
Less: Excess of the net long-term capital gain over the net short-term capital loss		30,000.00
Ordinary net income		100,000.00
Less credit for personal exemption		1,200.00
Surtax net income		98,800.00
Less earned income credit (10 percent of $3,000.00)		300.00
Income subject to normal tax		98,500.00
Normal tax (6 percent of $98,500.00)		5,910.00
Surtax on $98,800.00		58,216.00
Partial tax under sections 11 and 12 on $100,000		64,126.00
Plus 50 percent of $30,000.00		15,000.00
Total alternative tax		79,126.00

PAR. 8. Section 19.117-4 is amended as follows:

(A) By inserting at the end of the first paragraph thereof the following sentence:

* * * If property acquired as the result of a compulsory or involuntary conversion of other property of the taxpayer has under section 113 (a) (9) the same basis in whole or in part in the hands of the taxpayer as the property so converted, the period for which the property so converted was held by the taxpayer must be included in the period for which the property acquired was held by the taxpayer.

(B) By inserting immediately following the last paragraph a new paragraph to read as follows:

For taxable years beginning after December 31, 1941, the period for which the taxpayer has held stock or securities issued to him by a corporation pursuant to the exercise by him of rights to acquire such stock or securities from the corporation will, in every case and whether or not the receipt of taxable gain was recognized in connection with the distribution of the rights, begin with and include the day upon which the rights to acquire such stock or securities were exercised. A taxpayer will be deemed to have exercised rights received from a corporation to acquire stock or securities therein where there is an expression of assent to the terms of such rights made by the taxpayer in the manner requested or authorized by the corporation.

PAR. 9. Section 19.117-5, as amended by Treasury Decision 5057, approved July 2, 1941, is further amended as follows:

(A) By striking out paragraph (a) and inserting in lieu thereof the following new paragraph:

(a) *Taxable years beginning after December 31, 1938 and before January 1, 1942*—(1) *Short-term capital gains and losses.* In the case of a husband and wife making a joint return, the limitation under paragraph (2) of section 117 (d), prior to its amendment by the Revenue Act of 1942, relating to the allowance of short-term capital losses, is to be computed with respect to the combined short-term capital gains and losses of the spouses.

If a husband and wife making a joint return for any taxable year beginning after December 31, 1938 and before January 1, 1942, did not make a joint return for the preceding taxable year, the individual net short-term capital loss of each spouse for the preceding taxable year (in an amount not in excess of the individual net income of such spouse for such year) shall be treated as a short-term capital loss for the taxable year. If, however, a joint return was made for such preceding taxable year, a net short-term capital loss as shown by such joint return (in an amount not in excess of the aggregate net income for such year as shown by such return) shall be treated as a short-term capital loss for the taxable year. If a husband and wife making separate returns for any taxable year beginning after December 31, 1938 and before January 1, 1942, made a joint return for the preceding taxable year, a net short-term capital loss shown by such joint return shall be allocated to the spouses on the basis of their individual net short-term capital losses for such preceding taxable year, and the net short-term capital loss allocated to each spouse (in an amount not in excess of the portion of the aggregate net income shown by such joint return attributable to such spouse) shall be treated as a short-term capital loss of such spouse for the taxable year.

(2) *Long-term capital gains and losses.* In the case of a husband and wife making a joint return, the long-term capital losses of the spouses are to be deducted from the aggregate gross income in computing the tax imposed by sections 11 and 12. The alternative taxes computed under section 117 (c) prior to its amendment by the Revenue Act of 1942 are in lieu of the tax imposed by sections 11 and 12 and must be compared with the tax imposed by such sections to determine which tax is applicable. In computing the alternative taxes under section 117 (c) prior to its amendment by the Revenue Act of 1942 in the case of a joint return, the determination of the "net long-term capital gain" or the "net long-term capital loss" is to be made by combining the long-term capital gains and the long-term capital losses of the spouses.

(B) By striking out paragraph (b) and inserting in lieu thereof the following new paragraph:

(b) *Taxable year beginning in 1942.* If a husband and wife making a joint return for the first taxable year beginning in 1942, did not make a joint return for the preceding taxable year, the individual net short-term capital loss of each spouse for the preceding taxable year (in an amount not in excess of the individual net income of such spouse for such year) shall be totaled and such total shall be a short-term capital loss for such first taxable year beginning in 1942, to the extent of the excess of short-term capital gains over short-term capital losses for such year. If, however, a joint return was made for such preceding taxable year, a net short-term capital loss as shown by such joint return (in an amount not in excess of the aggregate net income for such year as shown by such return) shall be a short-term capital loss for the first taxable year beginning in 1942, to the extent of the excess of short-term capital gains over the short-term capital losses for such year. If a husband and wife making separate returns for the first taxable year beginning in 1942, made a joint return for the preceding taxable year, a net short-term capital loss shown by such joint return shall be allocated to the spouses on the basis of their individual net short-term capital losses for such preceding taxable year, and the net short-term capital loss allocated to each spouse (in an amount not in excess of the portion of the aggregate net income shown by such joint return attributable to such spouse) shall be treated as a short-term capital loss of such spouse for the first taxable year beginning in 1942 to the extent of the excess of short-term capital gains over short-term capital losses of such spouse for such year.

(C) By inserting immediately after paragraph (b) the following new paragraph:

(c) *Taxable years beginning after December 31, 1942.* In the case of a husband and wife making a joint return, the limitation under paragraph (2) of section 117 (d), as amended by the Revenue Act of 1942, relating to the allowance of losses from sales or exchanges of capital assets, is to be computed and the net capital loss determined with respect to

the combined capital gains and losses of the spouses.

If a husband wife making a joint return for any taxable year beginning after December 31, 1942, did not make a joint return for the preceding taxable years (not exceeding five taxable years and beginning after December 31, 1941), the individual net capital loss of each spouse for each of such preceding taxable years shall be a short-term capital loss for the taxable year to the extent provided by section 117 (e) (1), as amended by the Revenue Act of 1942. If, however, a joint return was made for each of the preceding taxable years (not exceeding five taxable years and beginning after December 31 ,1941), a net capital loss as shown by each joint return shall be a short-term capital loss for the taxable year to the extent provided by section 117 (e) (1), as amended by the Revenue Act of 1942. If a husband and wife making separate returns for any taxable year beginning after December 31, 1942, made a joint return for each of the preceding taxable years (not exceeding five taxable years and beginning after December 31, 1941), a net capital loss as shown by each such joint return shall be allocated to the spouses on the basis of their individual net capital losses for each of such preceding taxable years, and the net capital loss allocated to each spouse shall be a short-term capital loss of such spouse for the taxable year, to the extent provided by section 117 (e) (1), as amended by the Revenue Act of 1942.

The alternative taxes computed under section 117 (c) (2), as amended by the Revenue Act of 1942, are in lieu of taxes imposed by sections 11 and 12 and must be compared with the tax imposed by such sections to determine which tax is applicable. In computing the alternative taxes under section 117 (c) (2), as amended by the Revenue Act of 1942, in the case of a joint return, the determination of the excess of the net long-term capital gains over the net short-term capital losses is to be made by combining the long-term capital gains and losses and the short-term capital gains and losses of the spouses.

PAR. 10. Section 19.117–6 is amended as follows:

(A) By striking out the second sentence and inserting in lieu thereof the following new sentence:

* * * Thus, for any taxable year beginning after December 31, 1941, if a taxpayer made a short sale of shares of stock and covered the short sale by purchasing and delivering shares which he held for not more than 6 months, 100 percent of the recognized gain or loss would be taken into account under section 117 (b), as amended by the Revenue Act of 1942, even though he had on hand other shares of the same stock which he held for more than 6 months.

(B) By striking out the third sentence.

PAR. 11. There is inserted immediately after § 19.117–6 the following section:

§ 19.117–7 *Gains and losses from involuntary conversions and from the sale or exchange of certain property used in the trade or business.* For taxable years beginning after December 31, 1941, section 117 (j) (as added by section 151 (b) of the Revenue Act of 1942) provides that the recognized gains and losses:

(a) From the sale, exchange, or involuntary conversion of property used in the trade or business of the taxpayer at the time of the sale, exchange, or involuntary conversion, held for more than 6 months, which is (1) of a character subject to the allowance for depreciation provided in section 23 (l), or (2) real property, and

(b) From the involuntary conversion of capital assets held for more than 6 months

shall be treated as gains and losses from the sale or exchange of capital assets held for more than 6 months if the aggregate of such gains exceeds the aggregate of such losses. If the aggregate of such gains does not exceed the aggregate of such losses, such gains and losses shall not be treated as gains and losses from the sale or exchange of capital assets.

In determining whether such gains exceed such losses for the purposes of section 117 (j), losses upon the destruction in whole or in part, theft or seizure, requisition or condemnation of the property described in section 117 (j) are included whether or not there was a conversion of such property into money or other property. For example, if a capital asset held for more than 6 months, with an adjusted basis of $400, is stolen, and the loss from this theft is not compensated for by insurance or otherwise, the $400 loss is included in the computations under section 117 (j) to determine whether gains exceed losses. Furthermore, in making this computation, the gains and losses described in section 117 (j) are taken into account without regard to the percentage provisions of section 117 (b), that is, 100 percent of such gains and losses is taken into account. For example, if a taxpayer sustains a loss of $400 upon the sale under threat of condemnation of a capital asset, held for more than 6 months, such loss is taken into account for the purposes of section 117 (j) to the extent of $400, even though only $200 would be taken into account under section 117 (b) in computing net income. Similarly, the provisions of section 117 (d) limiting the deduction of capital losses are not applicable to exclude any losses from the computations under section 117 (j). With these exceptions as to sections 117 (b) and 117 (d), gains and losses are included in the computations under section 117 (j) only to the extent that they are taken into account in computing net income. Thus, losses which are not deductible items under section 24 or section 118 are not included in the computations under section 117 (j). Similarly, if a taxpayer reports on the installment basis under section 44 the gain on the sale of property described in section 117 (j), only the portion of the gain reported under section 44 in computing net income for the taxable year is included in the computations for such taxable year under section 117 (j). Any gains and losses which are not recognized under section 112 are not included in the computations under section 117 (j). Thus, if property is involuntarily converted into similar property, so that the gain on such conversion is not recognized under the provisions of section 112 (f), such gain is not included in the computations under section 117 (j).

If it is determined under the above computations that the gains exceed the losses, all of such gains and losses are treated as gains and losses from the sale or exchange of capital assets held for more than 6 months. All such gains and losses are then subject to the limitations of section 117 (b), (c), and (d), relating to the percentage taken into account, the alternative tax in the case of capital gains and losses, and the extent to which capital losses are allowed. If it is determined under the above computations that the gains do not exceed the losses, none of such gains and losses are treated as gains and losses from the sale or exchange of capital assets. Such gains and losses are then not subject to the percentage limitations of section 117 (b), and such losses are not subject to the limitations provided in section 117 (d). For example, if the taxpayer during the taxable year has losses of $1,000 on the sale of certain depreciable machinery used in his trade or business, held for more than 6 months, and a gain of $400 on the sale under threat of condemnation of a capital asset held for more than 6 months, such losses exceed such gain, and such losses and gain are not treated as losses and gain from the sale or exchange of capital assets. The gain on the sale of the capital asset would therefore be taken into account in full, instead of to the extent of 50 percent as provided in section 117 (b).

Section 117 (j) does not apply to gains and losses on the sale, exchange, or involuntary conversion of any property which would properly be includible in the inventory of the taxpayer if on hand at the close of the taxable year, or which is held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business. The involuntary conversion of property described in section 117 (j) is the conversion of such property into money or other property as a result of destruction in whole or in part, theft or seizure, or an exercise of the power of requisition or condemnation or the threat or imminence thereof.

The following examples will illustrate the operation of the provisions of section 117 (j):

Example (*1*). A, an individual, makes his income tax return on the calendar year basis. A's recognized gains and losses for 1942 of the kind described in section 117 (j), computed without regard to the limitations in section 117 (b), are as follows:

	Gains	*Losses*
1 Gain on sale of machinery, used in the business and subject to an allowance for depreciation, held for more than 6 months	$4,000	

	Gains	Losses
2. Gains reported in 1942 (under section 44) on installment sale in 1941 of factory premises used in the business (including building and land, each held for more than 6 months)	$6,000	
3. Gain reported in 1942 (under section 44) on installment sale in 1942 of land held for more than 6 months, used in the business as a storage lot for trucks	2,000	
4. Gain on proceeds from requisition by Government of boat held for more than 6 months, used in the business and subject to an allowance for depreciation	500	
5 Loss upon the destruction by fire of warehouse, held for more than 6 months and used in the business (excess of adjusted basis of warehouse over compensation by insurance, etc.)		$3,000
6. Loss upon theft of unregistered bearer bonds, held for more than 6 months		5,000
7. Loss in storm of pleasure yacht, purchased in 1940 for $1,800 and having a fair market value of $1,000 at the time of the storm		1,000
8. Total gains	12,500	
9 Total losses		9,000
10. Excess of gains over losses	3,500	

Since the aggregate of the respective recognized gains ($12,500) exceeds the aggregate of such losses ($9,000), such gains and losses are treated under section 117 (j) as gains and losses from the sale or exchange of capital assets held for more than 6 months. Therefore, under the provisions of section 117 (b), A will take into account only 50 percent of the amounts of items 1 to 7. Such items are treated the same as any other long-term gains and losses of A, and will cause the inclusion of $1,750 (50 percent of item 10) in computing his net long-term capital gain for the purposes of the alternative tax provided by section 117 (c) (2).

Example (2). A's yacht, acquired in 1935 for pleasure at a cost of $25,000, was requisitioned by the Government in 1942 for $15,000, its then fair market value. A sustained no deductible loss since he recovered the fair market value of the yacht, and no loss with respect to such requisition will be included in the computations under section 117 (j).

Example (3). If in example (1) the taxpayer were a corporation, then there would be taken into account 100 percent of the gains and losses in items 1 to 7, which are treated for all purposes as gains and losses from the sale or exchange of capital assets held for more than 6 months. The percentage provisions of section 117 (b) do not apply to corporations. These items will cause the inclusion of $3,500 (item 10) in computing the net long-term capital gain of the corporation for the purposes of the alternative tax provided by section 117 (c) (1).

Example (4). If in example (1) A also had a loss of $4,000 from the sale under threat of condemnation of a capital asset held for more than 6 months, then the gains ($12,500) would not exceed the losses ($9,000+$4,000, or $13,000). Neither the loss on such sale of a capital asset nor any of the other items set forth in example (1) would then be treated as gains and losses from the sale or exchange of capital assets, but all of such items would be treated as ordinary gains and losses. Since all of such items are included in full in computing net income, the net effect of such items will be the inclusion in computing net income of a loss of $500 (the excess of the $13,000 losses over the $12,000 gains). This same result would be obtained if A were a corporation. If the loss on the sale of the capital asset under threat of condemnation were $3,500, the gains and losses would still be treated as ordinary gains and losses and not as capital gains and losses, since the gins ($12,500) would not exceed the losses ($9,000+$3,500, or $12,500).

PAR. 12. There is inserted immediately preceding § 19.122–1 the following:

SEC. 150. CAPITAL GAINS AND LOSSES. (Revenue Act of 1942, Title I.)

* * * * * *

(e) *Net operating loss deduction.* Section 122 (d) (4) is amended to read as follows:

(4) Gains and losses from sales or exchanges of capital assets shall be taken into account without regard to the provisions of section 117 (b). As so computed the amount deductible on account of such losses shall not exceed the amount includible on account of such gains.

* * * * *

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 13. Section 19.122–2 is amended as follows:

(A) By striking out subparagraph (4) of the first paragraph and inserting in lieu thereof the following:

(4) For any taxable year beginning after December 31, 1938 and before January 1, 1942, the amount deductible on account of long-term capital losses shall not exceed the amount includible on account of long-term capital gains, and the amount deductible on account of short-term capital losses shall not exceed the amount includible on account of short-term capital gains. For any taxable year beginning after December 31, 1941, the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of such assets.

(B) By striking out immediately preceding the example, the words "The application of this section may be illustrated by the following example:" and inserting in lieu thereof the following:

* * * The application of this section to taxable years beginning after December 31, 1938 and before January 1, 1942 may be illustrated by the following example:

(C) By inserting at the end of the section the following:

The application of this section to taxable years beginning after December 31, 1941 may be illustrated by the following example:

Example. For the year 1942 the X Corporation, which makes its income tax returns on the calendar year basis, has gross income as defined in section 22 of $400,000 and deductions allowed by section 23 of $600,000, exclusive of any net operating loss deduction. Included in gross income are long-term capital gains of $50,000 and short-term capital gains of $25,000. The corporation had long-term capital losses of $60,000 and short-term capital losses of $35,000, which are deductible to the extent of the capital gains, or $75,000. The X Corporation also deducted $75,000 for depletion on a percentage basis. If depletion had been computed without reference to percentage depletion, the amount of such deduction would have been $5,000. For 1942 the X Corporation also had $35,000 of wholly tax-exempt interest, and paid $15,000 in interest on indebtedness incurred to carry the obligations from which such tax-exempt interest was derived.

On the basis of these facts the X Corporation has a net operating loss for the year 1942 of $110,000, computed as follows:

(1) Deductions for 1942		$600,000
Less:		
(2) Excess of percentage depletion over cost ($75,000 minus $5,000)		70,000
(3) Deductions adjusted as required by section 122 (d) (item (1) minus item (2))		530,000
(4) Gross income for 1942	$400,000	
(5) Plus tax-exempt interest minus interest paid ($35,000 minus $15,000)	20,000	
(6) Gross income adjusted as required by section 122 (d) (item (4) plus item (5))		420,000
(7) Net operating loss for 1942 (item (3) minus item (6))		110,000

PAR. 14. Section 19.122–3 is amended as follows:

(A) By striking out subparagraphs (5), (6), and (7) of paragraph (a) and inserting in lieu thereof the following new subparagraphs:

(5) For any taxable year beginning after December 31, 1938, and before January 1, 1942, the amount deductible on account of business long-term and short-term capital losses shall not exceed the amount includible on account of the business long-term and short-term capital gains, respectively, plus an allocable portion of any non-business long-term and short-term capital gains, computed in accordance with paragraph (c) of this section; and for any taxable year beginning after December 31, 1941, the amount deductible on account of business capital losses shall not exceed the amount includible on account of business capital gains, plus a portion of any non-business capital gains, computed in accordance with paragraph (c) of this section;

(6) For any taxable year beginning after December 31, 1938, and before January 1, 1942, the amount deductible on account of non-business long-term and short-term capital losses shall not exceed the amount includible on account of non-business long-term and short-term capital gains, respectively; and for any taxable year beginning after December 31, 1941, the amount deductible on account of non-business capital losses shall not exceed the amount includible on account of non-business capital gains; and

(7) Ordinary non-business deductions (i. e., exclusive of capital losses) shall be

allowed only to the extent of the amount of ordinary non-business gross income (i. e., exclusive of capital gains), plus (i) for any taxable year beginning after December 31, 1938, and before January 1, 1942, the excess, if any, of non-business long-term and short-term capital gains over non-business long-term and short-term capital losses, respectively, and (ii) for any taxable year beginning after December 31, 1941, the excess, if any, of non-business capital gains over non-business capital losses.

(B) By striking out the heading of paragraph (b) and inserting in lieu thereof the following:

(b) *Treatment of carry-overs*—(1) *Taxable years beginning after December 31, 1938 and before January 1, 1943.*

(C) By adding to paragraph (b) the following:

(2) *Taxable years begining after December 31, 1942.* Because of the distinction between business and non-business capital gains and losses, a taxpayer who has a net capital loss carry-over from preceding taxable years, includible among the short-term capital losses for the current taxable year by virtue of section 117 (e), as amended by the Revenue Act of 1942, must determine how much of such net capital loss carry-over is a business capital loss and how much is a non-business capital loss. In order to make this determination, the taxpayer must first ascertain what proportion of the net capital losses for such preceding taxable years was attributable to an excess of business capital losses over business capital gains for such years, and what proportion was attributable to an excess of non-business capital losses over non-business capital gains. The same proportion of the net capital loss carry-over from any such preceding taxable years shall be treated as a business capital loss and a non-business capital loss, respectively.

The effect of this subparagraph may be illustrated by the following example:

Example. A, an individual, has the following short-term gains and losses for the calendar year 1943: Business short-term capital gains of $1,000 and non-business short-term capital gains of $500, business short-term capital losses of $1,600 and non-business short-term capital losses of $600, business long-term capital gains of $1,000 and non-business long-term capital gains of $500, business long-term capital losses of $1,600 and non-business long-term capital losses of $600. A's net capital loss for the taxable year 1943 is $1,400, computed as follows:

Short-term capital losses ($1,600 plus $600)	$2,200	
Long-term capital losses ($1,600 plus $600)	2,200	
Total capital losses		$4,400
Short-term capital gains ($1,000 plus $500)	1,500	
Long-term capital gains ($1,000 plus $500)	1,500	
Total capital gains		3,000
Net capital loss for 1943		1,400

Since business capital losses exceeded, business capital gains by $1,200 ($3,200 minus $2,000), $1,200 of the $1,400 net capital loss is attributable to such excess. Similarly, $200 is attributable to an excess of non-business capital losses over non-business capital gains. Assuming that the net capital loss carry-over to 1944 from 1943 is also $1,400, then the same amounts will be treated as business and non-business capital losses, respectively, i. e., $1,200 will be treated as a business capital loss and $200 as a non-business capital loss.

(D) Paragraph (c) is amended by inserting immediately after the heading and immediately preceding the first sentence, the following new subheading:

(1) *Taxable years beginning after December 31, 1938, and before January 1, 1942.*

(E) By inserting immediately following the last paragraph of paragraph (c), the following:

(2) *Taxable years beginning after December 31, 1941.* In the computation of a net operating loss a taxpayer other than a corporation must first use his non-business capital gains for the deduction of his non-business capital losses. (See § 19.122–3 (a) (6).) Any amounts not necessary for this purpose shall then be used for the deduction of any excess of ordinary non-business deductions over ordinary non-business gross income. (See § 19.122–3 (a) (7).) The remainders, computed by applying the excess ordinary non-business deductions against the excess capital gains, shall be treated as capital gains and may be used for the purpose of determining the deductibility of business capital losses under § 19.122–3 (a) (5).

Example. A, an individual, has a total non-business gross income of $20,500, computed as follows:

Ordinary gross income	$7,500
Long-term capital gains	6,000
Short-term capital gains	7,000
Total gross income	20,500

He also has total non-business deductions of $16,000, computed as follows:

Ordinary deductions	$9,000
Long-term capital losses	2,000
Short-term capital losses	5,000
Total deductions	16,000

In order to determine the portion of the non-business capital gains availabe for the deduction of business capital losses there must first be deducted the amounts of the non-business capital losses. It is then found that the excess capital gains amount to $6,000 ($13,000 minus $7,000). Since the ordinary non-business deductions exceed the ordinary non-business gross income by $1,500 ($9,000 minus $7,500), $1,500 of the $6,000 excess capital gains must be used to permit the allowance of such $1,500 under § 19.122–3 (a) (7). Therefore, $1,500 excess of ordinary deductions over ordinary gross income will be deducted from $6,000 of excess capital gains, leaving $4,500 to be added to the business capital gains for the purpose of determining the deductibility of any business capital loss.

(F) By striking out paragraph (d) and inserting in lieu thereof the following:

(d) *Illustration of computation of net operating loss by a taxpayer other than a corporation.* A, an individual who makes his income tax returns on a calendar year basis, has gross income of $483,000 and deductions (exclusive of a net operating loss deduction) of $600,000 for 1942. Included in gross income are business long-term capital gains (as defined in section 117 (a) (4)) of $25,000 (amount of actual gain $50,000) on assets held for more than 24 months, and non-business income of $10,000. Included among the deductions are a business long-term capital loss (as defined in section 117 (a) (5)) of $30,000 (amount of actual loss $60,000) on a capital asset held for 19 months, and deductions incurred in transactions not connected with a trade or business of $12,000. A has no other items of income or deductions to which section 122 (d) is applicable.

On the basis of these facts A has a net operating loss for 1942 of $110,000, computed as follows:

(1) Deductions for 1942, exclusive of capital losses ($600,000 minus $30,000)		$570,000
(2) Plus amount of actual capital loss ($60,000) to extent such amount does not exceed actual capital gains ($50,000)		50,000
(3) Sum of items (1) and (2)		620,000
(4) Less excess of non-business deductions over non-business income ($12,000 minus $10,000)		2,000
(5) Deductions adjusted as required by section 122 (d) (item (3) minus item (4))		618,000
(6) Gross income for 1942	$483,000	
(7) Plus excess of long-term capital gains actually realized over amount previously taken into account ($50,000 minus $25,000)	25,000	
(8) Gross income adjusted as required by section 122 (d) (item (6) plus item (7))		508,000
(9) Net operating loss for 1942 (item (5) minus item (8))		110,000

For treatment of depletion deductions and tax-free interest, see example in § 19.122–2. For treatment of net short-term capital loss carry-over, net capital loss carry-over, non-business capital gains and losses, and the portion of the non-business capital gains which may be used to permit the deduction of business capital losses, see examples in paragraphs (b) and (c) of this section.

PAR. 15. Section 19.122–4, as amended by Treasury Decision 5086, is further amended by striking out the third sentence of the second paragraph and inserting in lieu thereof the following:

A taxpayer, other than a corporation, however, shall apply only the first four exceptions and limitations specified in § 19.122–3 (a) and, in lieu of the last three exceptions and limitations there specified, is required only (1) for any taxable year beginning after December 31, 1938, and before January 1, 1942, to restrict the amount of his deductions for long-term and short-term capital losses to the amount of his long-term and short-term capital gains, respectively,

and (2) for any taxable year beginning after December 31, 1941, to restrict the amount of his deduction for capital losses to the amount of his capital gains.

PAR. 16. There is inserted immediately preceding § 19.169–1 the following:

SEC. 150. CAPITAL GAINS AND LOSSES. (Revenue Act of 1942, Title I.)

* * * * *

(f) *Capital gains and losses of common trust funds.* (1) *Income of participants in fund.*

(A) Section 169 (c) (1) (A) is amended to read as follows:

(A) As part of its gains and losses from sales or exchanges of capital assets held for not more than 6 months, its proportionate share of the gains and losses of the common trust fund from sales or exchanges of capital assets held for not more than 6 months.

(B) Section 169 (c) (1) (B) is amended to read as follows:

(B) As part of its gains and losses from sales or exchanges of capital assets held for more than 6 months, its proportionate share of the gains and losses of the common trust fund from sales or exchanges of capital assets held for more than 6 months.

(2) *Computation of common trust fund income.* Section 169 (d) (1) and (2) are amended to read as follows:

(d) *Computation of Common Trust Fund Income.* The net income of the common trust fund shall be computed in the same manner and on the same basis as in the case of an individual, except that:

(1) There shall be segregated the gains and losses from sales or exchanges of capital assets;

(2) After excluding all items of gain and loss from sales or exchanges of capital assets, there shall be computed:

(A) An ordinary net income which shall consist of the excess of the gross income over deductions; or

(B) An ordinary net loss which shall consist of the excess of the deductions over the gross income;

* * * * *

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 17. Section 19.169–2 is amended as follows:

(A) By striking out subparagraphs (1) and (2) of paragraph (a) and inserting in lieu thereof the following two subparagraphs:

(1) For any taxable year beginning after December 31, 1938 and before January 1, 1942, its proportionate share of the net short-term capital gain or loss of the common trust fund, computed as provided in § 19.169–3, as a part of its short-term capital gains or losses; and for any taxable year beginning after December 31, 1941, its proportionate share of the gains and losses from sales or exchanges of capital assets held for not more than 6 months, computed as provided in § 19.169–3, as part of its gains and losses from sales or exchanges of capital assets held for not more than 6 months.

(2) For any taxable year beginning after December 31, 1938 and before January 1, 1942, its proportionate share of the net long-term capital gain or loss of the common trust fund, computed as provided in § 19.169–3, as a part of its long-term capital gains or losses; and for any taxable year beginning after December 31, 1941, its proportionate share of the gains and losses from sales or exchanges of capital assets held for more than 6 months, computed as provided in § 19.169–3, as part of its gains and losses from sales or exchanges of capital assets held for more than 6 months.

(B) By striking out in paragraph (c) the first paragraph and the portion of the second paragraph preceding the example and inserting in lieu thereof the following two new paragraphs:

The proportionate share of each participant in the net short-term capital gain or loss of any taxable year beginning after December 31, 1938 and before January 1, 1942, the net long-term capital gain or loss of any taxable year beginning after December 31, 1938 and before January 1, 1942, gains and losses of any taxable year beginning after December 31, 1941 from sales or exchanges of capital assets held for not more than 6 months, gains and losses of any taxable year beginning after December 31, 1941 from sales or exchanges of capital assets held for more than 6 months, the ordinary net income or ordinary net loss, the partially exempt interest, and the tax withheld at the source shall be determined in accordance with the method of accounting adopted by the bank in accordance with the written plan under which the common trust fund is established and administered, provided such method clearly reflects the income of each participant.

The items of income and deductions are, therefore, to be allocated to the periods between valuation dates within the taxable year established by such plan in which they were realized or sustained, and the ordinary net income or ordinary net loss, the net short-term capital gain or loss of any taxable year beginning after December 31, 1938 and before January 1, 1942, the net long-term capital gain or loss of any taxable year beginning after December 31, 1938 and before January 1, 1942, gains and losses of any taxable year beginning after December 31, 1941 from sales or exchanges of capital assets held for not more than 6 months, and gains and losses of any taxable year beginning after December 31, 1941 from sales or exchanges of capital assets held for more than 6 months computed for each such period. The proportionate shares of the participants in such items are then to be determined. The provisions of this paragraph as applied to taxable years beginning after December 31, 1938, and before January 1, 1942, may be illustrated by the following example:

(C) By inserting immediately preceding (d) the following:

The provisions of the second paragraph of this subsection as applied to taxable years beginning after December 31, 1941, may be illustrated by the following example:

Example. The plan of a common trust fund provides for quarterly valuation dates and for the computation and the distribution of the income upon a quarterly basis, except that there shall be no distribution of capital gains. The participants are as follows: Trusts A, B, C, and D for the first quarter; Trusts A, B, C, and E for the second quarter; and Trusts A, B, F, and G for the third and fourth quarters, the participants having equal participating interests. As computed upon the quarterly basis, the ordinary net income, the short-term capital gain, and the long-term capital loss for the taxable year were as follows:

	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Ordinary net income	$200	$200	$200	$400	$1,100
Short-term capital gain	200	100	200	100	600
Long-term capital loss	100	200	100	200	600

The participants' shares of ordinary net income are as follows:

PARTICIPANTS' SHARES OF ORDINARY NET INCOME

Participant	First quarter	Second quarter	Third quarter	Fourth quarter	Total
A	$50	$75	$50	$100	$275
B	50	75	50	100	275
C	50	75	----	----	125
D	50	----	----	----	50
E	----	75	----	----	75
F	----	----	50	100	150
G	----	----	50	100	150
Total	200	300	200	400	1,100

The participants' shares of the short-term capital gain are as follows:

PARTICIPANTS' SHARES OF SHORT-TERM CAPITAL GAIN

Participant	First quarter	Second quarter	Third quarter	Fourth quarter	Total
A	$50	$25	$50	$25	$150
B	50	25	50	25	150
C	50	25	----	----	75
D	50	----	----	----	50
E	----	25	----	----	25
F	----	----	50	25	75
G	----	----	50	25	75
Total	200	100	200	100	600

The participants' shares of the long-term capital loss are as follows:

PARTICIPANTS' SHARES OF LONG-TERM CAPITAL LOSS

Participant	First quarter	Second quarter	Third quarter	Fourth quarter	Total
A	$25	$50	$25	$50	$150
B	25	50	25	50	150
C	25	50	----	----	75
D	25	----	----	----	25
E	----	50	----	----	50
F	----	----	25	50	75
G	----	----	25	50	75
Total	100	200	100	200	600

If in the above example the common trust fund also had short-term capital losses and long-term capital gains, the treatment of such gains or losses would be similar to that accorded to the short-term capital gains and long-term capital losses in the above example.

PAR. 18. Section 19.169–3 is amended as follows:

(A) By striking out subparagraphs (2) and (3) and inserting in lieu thereof the following two subparagraphs:

(2) For any taxable year beginning after December 31, 1938 and before January 1, 1942, the short-term capital gains and losses of the common trust fund and its long-term capital gains and losses are required to be segregated and the computation made of the net short-term capital gain or loss and the net long-term gain or loss, as the case may be. For any taxable year beginning after December 31, 1941, the gains and losses from sales or exchanges of capital assets of the common trust fund are required to be segregated. For any taxable year beginning after December 31, 1938, and before January 1, 1942, a common trust fund is not allowed the benefit of the net short-term capital loss carry-over provided by section 117 (e) prior to its amendment by the Revenue Act of 1942, and for any taxable year beginning after December 31, 1941, a common trust fund is not allowed the benefit of the capital loss carry-over provided by section 117 (e), as amended by the Revenue Act of 1942.

(3) The ordinary net income, that is, the excess of the gross income over the deductions, or the ordinary net loss, that is, the excess of the deductions over the gross income, shall be computed after excluding all items of either short-term or long-term capital gain or loss for any taxable year beginning after December 31, 1938, and before January 1, 1942, and gains and losses from sales or exchanges of capital assets for any taxable year beginning after December 31, 1941.

PAR. 19. Section 19.169–4 is amended by inserting immediately after "18 months" appearing in subparagraph (4) of paragraph (c) the following: (more than 6 months for taxable years beginning after December 31, 1941)

PAR. 20. Section 19.169–5 is amended by changing the fourth sentence thereof to read as follows:

* * * The return of a common trust fund shall state specifically with respect to the fund the items of gross income and the deductions allowed under chapter 1, and shall include each participant's name and address, the ordinary net income or loss, its proportionate share of the net short-term capital gain or loss and the net long-term capital gain or loss for any taxable year beginning after December 31, 1938, and before January 1, 1942, and for any taxable year beginning after December 31, 1941, its proportionate share of gains and losses from sales or exchanges of capital assets.

PAR. 21. There is inserted immediately preceding § 19.182–1 the following:

SEC. 150. CAPITAL GAINS AND LOSSES. (Revenue Act of 1942, Title I.)

* * * * *

(g) *Capital gains and losses of partners*—(1) *Tax of partners.*

(A) Section 182 (a) is amended to read as follows:

(a) As part of his gains and losses from sales or exchanges of capital assets held for not more than 6 months, his distributive share of the gains and losses of the partnership from sales or exchanges of capital assets held for not more than 6 months.

(B) Section 182 (b) is amended to read as follows:

(b) As part of his gains and losses from sales or exchanges of capital assets held for more than 6 months, his distributive share of the gains and losses of the partnership from sales or exchanges of capital assets held for more than 6 months.

(2) *Computation of partnership income.*

(A) Section 183 (b) (1) and (2) are amended to read as follows:

(b) *Segregation of items.* (1) *Capital gains and losses.* There shall be segregated the gains and losses from sales or exchanges of capital assets.

(2) *Ordinary net income or loss.* After excluding all items of gain and loss from sales or exchanges of capital assets, there shall be computed:

(A) An ordinary net income which shall consist of the excess of the gross income over the deductions; or

(B) An ordinary net loss which shall consist of the excess of the deductions over the gross income.

* * * * *

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 22. Section 19.182–1 is amended as follows:

(A) By striking out subparagraphs (1) and (2) of paragraph (a) and inserting in lieu thereof the following two subparagraphs:

(1) For any taxable year beginning after December 31, 1938 and before January 1, 1942, as part of his short-term capital gains or losses, his distributive share of the net short-term capital gain or loss of the partnership; and for any taxable year beginning after December 31, 1941, as part of his gains and losses from sales or exchanges of capital assets held for not more than 6 months, his distributive share of the gains and losses of the partnership from sales or exchanges of capital assets held for not more than 6 months.

(2) For any taxable year beginning after December 31, 1938 and before January 1, 1942, as part of his long-term capital gains or losses, his distributive share of the net long-term capital gain or loss of the partnership; and for any taxable year beginning after December 31, 1941, as part of his gains and losses from sales or exchanges of capital assets held for more than 6 months, his distributive share of the gains and losses of the partnership from sales or exchanges of capital assets held for more than 6 months.

(B) By striking out paragraph (b) and inserting in lieu thereof the following new paragraph:

(b) If separate returns are made by the husband and wife domiciled in a community property State, and the husband only is a member of a partnership, the part of his distributive share of the partnership's net short-term or net long-term capital gain or loss of any taxable year beginning after December 31, 1938, and before January 1, 1942, the part of his distributive share of gains and losses from sales or exchanges of capital assets of any taxable year beginning after December 31, 1941, or the part of his distributive share of ordinary net income or ordinary net loss, which is, or is derived from, community property should be reported by the husband and by the wife in equal proportions. In the case of a partnership closely related to other trades or businesses, see section 45.

PAR. 23. Section 19.183–1 is amended as follows:

(A) By striking out subparagraph (1) and inserting in lieu thereof the following subparagraph:

(1) For any taxable year beginning after December 31, 1938 and before January 1, 1942, the partnership is required to segregate its short-term capital gains and losses and its long-term capital gains and losses and to compute the net short-term capital gain or loss and the net long-term capital gain or loss, as the case may be. For any taxable year beginning after December 31, 1941, the partnership is required to segregate its gains and losses from sales or exchanges of capital assets. A partnership is not allowed the benefit of section 117 (e).

(B) By striking out the first sentence of subparagraph (2) and inserting in lieu thereof the following new sentence:

The partnership is further required, after excluding all items described in subparagraph (1), to compute (i) an ordinary net income which consists of the excess of gross income over the deductions, or (ii) an ordinary net loss which consists of the excess of the deductions over the gross income.

PAR. 24. Section 19.189–1 is amended as follows:

(A) By striking out subparagraphs (1) and (2) of (a) and inserting in lieu thereof the following two subparagraphs:

(1) *Long-term capital gains and losses.* For any taxable year beginning after December 31, 1938 and before January 1, 1942, the partnership's long-term capital gains and losses shall be taken into account without regard to the percentage provisions of section 117 (b). For any such taxable year, the business long-term capital gains and losses and the non-business long-term capital gains and losses shall be segregated, and his distributive share of the business net long-term capital gain or loss and the non-business net long-term capital gain

or loss of the partnership shall be included by each partner as a business and non-business long-term capital gain or loss, respectively. For any taxable year beginning after December 31, 1941, the partnership's gains and losses from sales or exchanges of capital assets held for more than 6 months shall be taken into account without regard to the percentage provisions of section 117 (b). For any such taxable year, the business gains and losses from sales or exchanges of capital assets held for more than 6 months and the non-business gains and losses from such sales or exchanges shall be segregated and his distributive share of the partnership's business gains or losses from such sales or exchanges and the partnership's non-business gains and losses from such sales or exchanges shall be included by each partner as business and non-business gains or losses from the sales or exchanges of capital assets held for more than 6 months, respectively.

(2) *Short-term capital gains and losses.* For any taxable year beginning after December 31, 1938 and before January 1, 1942, the business short-term capital gains and losses and the non-business short-term capital gains and losses of the partnership shall be segregated, and his distributive share of the business net short-term capital gain or loss and the non-business net short-term capital gain or loss of the partnership shall be included by each partner as a business and non-business short-term capital gain or loss, respectively. For any taxable year beginning after December 31, 1941, the partnership's business gains and losses from sales or exchanges of capital assets held for not more than 6 months and the partnership's non-business gains and losses from such sales or exchanges shall be segregated, and his distributive share of such business gains or losses and such non-business gains or losses shall be included by each partner as business and non-business gains or losses from sales or exchanges of capital assets held for not more than 6 months, respectively.

(B) By striking out subparagraph (2) of paragraph (b) and inserting in lieu thereof the following paragraph:

(2) For any taxable year beginning after December 31, 1938 and before January 1, 1942, in computing the net long-term capital gain or loss of the partnership, long-term capital gains and losses shall be taken into account without regard to the percentage provisions of section 117 (b). For any taxable year beginning after December 31, 1941, the gains and losses from sales or exchanges of capital assets of the partnership shall be taken into account without regard to the percentage provisions of section 117 (b).

PAR. 25. There is inserted immediately preceding § 19.336–1 the following:

SEC. 150. CAPITAL GAINS AND LOSSES. (Revenue Act of 1942, Title I.)

* * * * *

(h) *Capital losses of foreign personal holding companies.* Section 336 (c) is amended to read as follows:

(c) *1941 Capital loss carry-over denied.* The net income shall be computed without regard to section 117 (e) (2).

* * * * *

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 26. Section 19.336–1 is amended by striking out the fourth sentence of the first paragraph and inserting in lieu thereof the following two new sentences:

* * * For taxable years beginning after December 31, 1939 and before January 1, 1942, section 336 (c) limits the deduction for capital losses to $2,000 plus capital gains, notwithstanding the provisions of section 117 (d) and (e), prior to their amendment by the Revenue Act of 1942, thus continuing for the purposes of Supplement P (sections 331 to 340, inclusive) the rule contained in section 117 (d) (1) prior to its amendment by the Revenue Act of 1939. For taxable years beginning after December 31, 1941, section 336 (c) provides the same treatment to foreign personal holding companies with respect to capital gains and losses as ordinary corporations except that no capital loss carry-over from the last taxable year beginning in 1941 is allowed.

PAR. 27. Section 19.336–2 is amended by inserting at the end thereof the following new paragraph:

For any taxable year beginning after December 31, 1941, the losses in the amount of $10,000 sustained from the sale of the stock or securities which constituted capital assets in the above example would not be allowed as a deduction in any amount under the provisions of sections 117 and 336 (c), as amended by the Revenue Act of 1942.

PAR. 28. There is inserted immediately preceding section 19.505–1 the following:

SEC. 150. CAPITAL GAINS AND LOSSES. (Revenue Act of 1942, Title I.)

* * * * *

(i) *Capital losses of personal holding companies.* Section 505 (d) is amended to read as follows:

(d) *1941 capital loss carry-over denied.* The net income shall be computed without regard to section 117 (e) (2).

* * * * *

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

PAR. 29. Section 19.505–1 is amended by striking out the third sentence of the fourth paragraph and inserting in lieu thereof the following two new sentences:

* * * For taxable years beginning after December 31, 1939 and before January 1, 1942, section 505 (d) limits the deduction for capital losses to $2,000 plus capital gains, notwithstanding the provisions of section 117 (d) and (e), prior to its amendment by the Revenue Act of 1942, thus continuing for the purposes of the personal holding company tax the rule contained in section 117 (d) (1), prior to its amendment by the Revenue Act of 1939. For taxable years beginning after December 31, 1941, section 505 (d), as amended by the Revenue Act of 1942, provides the same treatment to personal holding companies with respect to capital gains and losses as ordinary corporations, except that no capital loss carry-over pursuant to section 117 (e) (2), as amended by the Revenue Act of 1942, is allowed from the last taxable year beginning in 1941.

PAR. 30. There is inserted immediately preceding section 19.12–1 the following:

SEC. 150. CAPITAL GAINS AND LOSSES. (Revenue Act of 1942, Title I.)

* * * * *

(j) *Cross reference.* Section 12 (c) is amended to read as follows:

(c) Tax in case of capital gains or losses—For rate and computation of alternative tax in lieu of normal tax and surtax in the case of a capital gain or loss from the sale or exchange of capital assets held for more than 6 months, see section 117 (c).

SEC. 101. TAXABLE YEARS TO WHICH AMENDMENTS APPLICABLE. (Revenue Act of 1942, Title I.)

Except as otherwise expressly provided, the amendments made by this title shall be applicable only with respect to taxable years beginning after December 31, 1941.

(Secs. 150, 151 and 152 of the Revenue Act of 1942 (Public Law 753, 77th Congress), and section 62 of the Internal Revenue Code (53 Stat. 32; 26 U.S.C., 1940 ed., 62))

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: January 19, 1943.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 43-939; Filed, January 20, 1943; 4:37 p. m.]

Subchapter E—Administrative Provisions Common to Various Taxes

[T.D. 5216]

PART 472—REGULATIONS UNDER SECTION 3804 OF THE INTERNAL REVENUE CODE

TIME FOR PERFORMING CERTAIN ACTS POSTPONED BY REASON OF WAR

Notice to Commissioner under section 3504 in case termination of period disregarded under such section, in determining amounts of interest and whether certain acts are timely performed, depends upon date person returns to Americas or continental United States, or leaves area of enemy action or control, or qualifies as executor, administrator, or conservator.

SEC. 507. TIME FOR PERFORMING CERTAIN ACTS POSTPONED BY REASON OF WAR. (Revenue Act of 1942.)

(a) *Amendments to the Internal Revenue Code.* The Internal Revenue Code is amended by inserting after section 3803 the following new sections:

SEC. 3804. TIME FOR PERFORMING CERTAIN ACTS POSTPONED BY REASON OF WAR.

(a) *Individuals.* The period of time after December 6, 1941, during which an individual is continuously outside the Americas (if such period is longer than ninety days), and the next ninety days thereafter, shall be disregarded in determining, under the internal revenue laws, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax) of such individual:

(1) Whether any of the following acts was performed within the time prescribed therefor:

(A) Filing any return of income, estate, or gift tax (except income tax withheld at source and income tax imposed by Chapter 9 or any law superseded thereby);

(B) Payment of any income, estate, or gift tax (except income tax withheld at source and income tax imposed by Chapter 9 or any law superseded thereby) or any installment thereof or of any other liability to the United States in respect thereof;

(C) Filing a petition with the Board of Tax Appeals for redetermination of a deficiency, or for review of a decision rendered by the Board;

(D) Allowance of a credit or refund of any tax;

(E) Filing a claim for credit or refund of any tax;

(F) Bringing a suit upon any such claim for credit or refund;

(G) Assessment of any tax;

(H) Giving or making any notice or demand, for the payment of any tax, or with respect to any liability to the United States in respect of any tax;

(I) Collection, by the Commissioner or the collector, by distraint or otherwise, of the amount of any liability in respect of any tax;

(J) Bringing suit by the United States, or any officer on its behalf, in respect of any liability in respect of any tax; and

(K) Any other act required or permitted under the internal revenue laws specified in regulations prescribed under this section by the Commissioner with the approval of the Secretary;

(2) The amount of any credit or refund (including interest).

(b) *Other taxpayers and other circumstances.* In any case to which subsection (a) does not apply in which it is determined by the Commissioner, under regulations prescribed by him with the approval of the Secretary, that:

(1) By reason of an individual being outside the Americas, or

(2) By reason of any locality (within or without the Americas) being an area of enemy action or being an area under the control of the enemy, as determined by the Commissioner, or

(3) By reason of an individual in the military or naval forces of the United States being outside the States of the Union and the District of Columbia, it is impossible or impracticable to perform any one or more of the acts specified in subsection (a), then in determining, under the internal-revenue laws whether such act was performed within the time prescribed therefor, in respect of any tax liability (including any interest, penalty, additional amount, or addition to tax) affected by the failure to perform such act within such time, and in determining the amount of any credit or refund (including interest) affected by such failure, there shall be disregarded such period after December 6, 1941, as may be prescribed by such regulations.

(c) *Limitation on time to be disregarded.* The period of time disregarded under this section shall not extend beyond whichever of the following dates is the earlier:

(1) The fifteenth day of the third month following the month in which the present war with Germany, Italy, and Japan, is terminated, as proclaimed by the President; or

(2) In the case of an individual with respect to whom a period of time is disregarded under this section, the fifteenth day of the third month following the month in which an executor, administrator, or a conservator of the estate of such individual qualifies.

(d) *Exceptions*—(1) *Tax in jeopardy; bankruptcy and receiverships; and transferred assets.* Notwithstanding the provisions of subsection (a) or (b), any action or proceeding authorized by section 146 (regardless of the taxable year for which the tax arose), 273, 274, 311, 872, 900, 1013, 1015, 1025, or 3660, as well as any other action or proceeding authorized by law in connection therewith, may be taken, begun, or prosecuted. In any other case in which the Commissioner determines that collection of the amount of any assessment would be jeopardized by delay, the provisions of subsections (a) and (b) shall not operate to stay collection of such amount by distraint or otherwise as authorized by law. There shall be excluded from any amount assessed or collected pursuant to this paragraph the amount of interest, penalty, additional amount, and addition to the tax, if any, in respect of the period disregarded under subsection (a) or (b). In any case to which this paragraph relates, if the Commissioner or collector is required to give any notice to or make any demand upon any person, such requirement shall be deemed to be satisfied if the notice or demand is prepared and signed, in any case in which the address of such person last known to the Commissioner or collector is in an area for which United States post offices under instructions of the Postmaster General are not, by reason of the war, accepting mail for delivery at the time the notice or demand is signed. In such case the notice or demand shall be deemed to have been given or made upon the date it is signed.

(2) *Action taken before ascertainment of rights to benefits.* The assessment or collection of any internal revenue tax or of any liability to the United States in respect of any internal revenue tax, or any action or proceeding by or on behalf of the United States in connection therewith, may be made, taken, begun, or prosecuted in accordance with law, without regard to the provisions of subsection (a) or (b), unless prior to such assessment, collection, action, or proceeding it is ascertained that the person concerned is entitled to the benefits of subsection (a) or (b).

(3) *Expiration of period of limitations prior to enactment of this section.* This section shall not operate to extend the time for performing any act specified in subsection (a) (1) (G), (H), (I), or (J) if such time under the law in force prior to the date of enactment of this section expired prior to such date.

(e) *Definitions.* For purposes of this section:

(1) *Americas.* The term "Americas" means North, Central, and South America (including the West Indies but not Greenland), and the Hawaiian Islands.

(2) *When individual ceases to be outside Americas or within an area of enemy action.* For the purpose of determining whether any act specified in subsection (a) (1) (G), (H), (I), or (J) was performed within the time prescribed therefor, if any period of time is disregarded under this section by reason of any individual being outside the Americas or within an area of enemy action or control, such individual shall not, if he returns to the Americas or leaves such area after the date of enactment of this section, be deemed to have returned to the Americas or ceased to be within such area before the date upon which the Commissioner receives from such individual a notice thereof in such form as the Commissioner, with the approval of the Secretary, shall by regulations prescribe. A similar rule shall be applied in the case of a member of the military or naval forces of the United States with respect to whom a period of time is disregarded under this section by reason of being outside the States of the Union and the District of Columbia.

(3) *When executor, administrator, or conservator qualifies.* For the purpose of determining whether any act specified in subsection (a) (1) (G), (H), (I), or (J) was performed within the time prescribed therefor, the month in which an executor, administrator, or conservator qualifies, if he qualifies after the date of enactment of this section, shall be deemed to be the month in which the Commissioner receives from him a notice thereof in such form as the Commissioner, with the approval of the Secretary, shall be regulations prescribe.

SEC. 3805. INCOME TAX DUE DATES POSTPONED IN CASE OF CHINA TRADE ACT CORPORATIONS.

In the case of any taxable year beginning after December 31, 1940, no Federal income tax return of, or payment of any Federal income tax by, any corporation organized under the China Trade Act, 1922 (42 Stat. 849, U.S.C., Title 15, chapter 4), shall become due until the fifteenth day of the sixth month following the month in which the present war with Germany, Italy, and Japan is terminated, as proclaimed by the President. Such due date is prescribed subject to the power of the Commissioner to extend the time for filing such return or paying such tax, as in other cases.

(b) *Effect of amendments upon periods fixed under laws other than Internal Revenue Code.*—(1) *Public law 490, seventy-seventh Congress.* The amendments made by this section shall not be construed to shorten any period fixed under the provisions of section 13 or 14 of the Act approved March 7, 1942 (Public Law 490—77th Congress), within which any act may be done, except that any action or proceeding authorized under section 3804 (d) (1) of the Internal Revenue Code, as well as any other action or proceeding authorized by law in connection therewith, may be taken, begun, or prosecuted without regard to the period so fixed.

(2) *Soldiers' and Sailors' Civil Relief Act of 1940.* (A) The amendments made by this section shall not be construed to shorten any period fixed under the provisions of section 513 of the Soldiers' and Sailors' Civil Relief Act of 1940 within which any act may be done, except that any action or proceeding authorized under section 3804 (d) (1) of the Internal Revenue Code, as well as any other action or proceeding authorized by law in connection therewith, may be taken, begun, or prosecuted without regard to the period so fixed.

(B) Article II of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, is amended by adding at the end thereof the following new section:

SEC. 207. Section 205 of this Act shall not apply with respect to any period of limitation prescribed by or under the internal revenue laws of the United States.

(c) *Retroactive effect.* The provisions of sections 3804 and 3805, as added by subsection (a) of this section, shall be effective as if they were enacted on December 7, 1941; except that the phrase "date of enactment of this section", when used in subsections (d) (3) and (e) (2) and (3) of section 3804, means the date of enactment of this Act. Any amount of interest, penalty, additional amount, or addition to the tax otherwise allowable as a refund or credit under the internal-revenue laws including sections 3805 and 3804, except subsection (d) (2)) may be refunded or credited without regard to section 3804 (d) (2). No interest shall be allowed or paid by the United States upon any amount refunded or credited by reason of this subsection.

§ 472.0 *Scope of regulations.* These regulations relate to the notice to be furnished to the Commissioner of Internal Revenue, Washington, D. C., after the occurrence of one of the following enumerated events, in case a period of time is disregarded under section 3804 of the Internal Revenue Code and the date of termination of such period is dependent upon the time when a person:

(a) Returns to the Americas (that is, North, Central, and South America, the Hawaiian Islands, and the West Indies, but not Greenland), or

(b) Returns to the continental United States (that is, the States of the Union and the District of Columbia), or

(c) Leaves an area of enemy action or control, or

(d) Qualifies as an executor, administrator, or conservator of the estate of an individual with respect to whom a period of time is disregarded under section 3804. (Further regulations will be issued under section 3804, at a later date.)

§ 472.1 *Notices to Commissioner under section 3804.* If a period of time is disregarded under any provision of section 3804 of the Internal Revenue Code, the time within which certain acts may be performed by or on behalf of the Government may be extended indefinitely (subject to the limitations provided in section 3804 (c) (1) and (d) (3)) unless the notice provided for in section 3804 (e) (2) or (3) is given to the Commissioner of Internal Revenue.

Example. An individual on August 1, 1942, sails from the port of New York, New York, for destinations in Europe and Africa, and on December 1, 1942, returns to such port. Thus, he is actually outside the Americas for a period of 122 days, or August 2, 1942, to December 1, 1942, inclusive (disregarding the date of departure and counting the date of return as an entire day, in accordance with the general rule for the computation of time). Under section 3804 (a), that period (being more than 90 days) plus an additional 90 days, or a total period of 212 days (August 2, 1942, to March 1, 1943, inclusive), is disregarded in determining whether any of the acts (such as paying income tax) specified in section 3804 (a) (1) (A), (B), (C), (D), (E), (F), or (K) is performed within the time prescribed therefor, and in determining the amount of any credit or refund (including interest). For purposes of determining whether the acts (such as assessing and collecting any tax) specified in section 3804 (a) (1) (G), (H), (I), or (J) are timely performed, the period to be disregarded under section 3804 (a) with respect to the individual likewise begins on August 2, 1942; but for such purposes such period does not, by reason of section 3804 (e) (2), terminate until the expiration of the 90th day after the date on which notice of return to the Americas, furnished by the individual, is received by the Commissioner of Internal Revenue, Washington, D. C.

No particular form is prescribed for giving the notices provided for herein. The notice shall be filed, in duplicate, with the Commissioner of Internal Revenue, Washington, D. C., and it shall be stated therein that the notice is filed pursuant to section 3804 of the Internal Revenue Code.

Each such notice shall be signed and dated by the person filing it, and shall contain the following information:

(a) Name and present address of the taxpayer.

(b) Name and present address of the person furnishing the information, if not furnished by the taxpayer.

(c) Kind and amount of tax or taxes which are believed to be involved (for example, income, estate, or gift tax).

(d) Address of each collector of internal revenue with whom returns of the tax or taxes involved have been or are intended to be filed.

(e) Each taxable year or period believed to be involved.

(f) For the period, if any, during which the individual was a member of the military or naval forces of the United States, (1) if outside the continental United States on December 7, 1941, the last date prior to December 7, 1941, on which the individual left the continental United States (that is, the area comprised of the States of the Union and the District of Columbia); (2) each date after December 6, 1941, on which the individual left the continental United States; and (3) each date after December 6, 1941, on which the individual returned to the continental United States.

(g) For the period, if any, during which the individual was not a member of the military or naval forces of the United States, (1) if outside the Americas on December 7, 1941, the last date prior to December 7, 1941, on which the individual left the Americas (that is, North, Central, and South America, the Hawaiian Islands, and the West Indies, but not Greenland) and the name of the port of departure; (2) each date after December 6, 1941, on which the individual left the Americas, and the name of each port of departure; and (3) each date after December 6, 1941, on which the individual returned to the Americas, and the name of each port of entry.

(h) In the case of a person who has qualified as an executor, administrator, or conservator of the estate of an individual with respect to whom a period of time is disregarded under section 3804, the date on which, and the name and address of the court in which, such person qualified as such, together with the information called for in paragraphs (a) to (g), inclusive.

In case a person, having the intent of giving notice pursuant to the provisions of section 3804, furnishes the notice prior to the receipt by such person of advice as to the requirements of these regulations (whether before or after the promulgation thereof), such notice will be considered as satisfying such provisions as of the date of actual receipt thereof in Washington, D. C., by the Commissioner, if the information called for in these regulations is furnished within a reasonable time after the receipt of such advice, or if there has been substantial compliance with these regulations. A notice furnished to a collector of internal revenue will not be considered as satisfying such provisions unless and until actually received by the Commissioner.

The notice provided for herein, together with a full disclosure of all pertinent circumstances, should be furnished in any case in which no period of time is disregarded under the terms of section 3804 (a), but in which it is believed by the taxpayer (including taxpayers other than individuals) that timely performance of any act specified in such section is impossible or impracticable:

(i) By reason of any individual (whether or not the taxpayer) being outside the Americas, or

(ii) By reason of any locality being an area of enemy action or control, or

(iii) By reason of any individual (whether or not the taxpayer) in the military or naval forces of the United States being outside the continental United States.

In order that periods of time within which acts may be performed, and interest or penalty, if any, may be properly computed, notice should be furnished to the Commissioner in every case in which the termination of a period disregarded under section 3804 is dependent upon the time when an individual returns to the Americas or to the continental United States, or upon the time when an individual leaves an area of enemy action or control, or upon the time when an executor, administrator, or conservator qualifies as such. Thus, the notice should be furnished in those cases in which the event fixing the date of termination of the period to be disregarded, occurred on or before October 21, 1942, the date of enactment of the Revenue Act of 1942, although in such cases failure to furnish the notice does not under the provisions of section 3804 (e) (2) or (3) extend the period within which the Government may perform the acts, such as assessing and collecting tax, which are specified in section 3804 (a) (1) (G), (H), (I), or (J).

With the exception noted in the last preceding sentence, the consequence of failure to furnish the information herein called for is the extension in favor of the Government of the time within which the acts specified in section 3804 (a) (1) (G), (H), (I), and (J) may be performed. Such failure cannot operate to extend the time within which other acts specified in section 3804 may be performed. While no time is prescribed for furnishing the information, it is to the advantage of the taxpayer that the information be furnished as promptly as possible for each period disregarded under section 3804. In case more than one period of time is disregarded under such section, information as to dates of departure and return previously furnished to the Commissioner under these regulations need not be included in subsequent notices to the Commissioner thereunder.

(Sec. 3791 of the Internal Revenue Code (53 Stat. 467; 26 U.S.C., 3791) and sec. 507 of the Revenue Act of 1942 (Pub. Law 753, 77th Cong.))

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: January 19, 1943.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 43-933; Filed January 20, 1943; 4:37 p. m.]

TITLE 32—NATIONAL DEFENSE

Chapter IX—War Production Board

Subchapter B—Director General for Operations

PART 933—COPPER

[Amendment 2 to Conservation Order M-9-c as Amended Dec. 26, 1942]

Section 933.4 *Conservation Order M-9-c* is hereby amended:

By amending paragraph (f) (1) to be and read as follows:

(f) *Special provisions.* (1) The foregoing provisions of this amended order shall not apply to the use of copper products and copper base alloy products in typography, engraving, photo-engraving, gravure plate making, electrotyping, stereotyping and printing in the printing and publishing industries. In those processes, the use of bronze powder, bronze ink, bronze paste and bronze leaf is controlled by Supplementary Conservation Order M-9-c-3 effective March 28, 1942; and all other uses in those industries of copper products, copper base alloy products, copper scrap and copper base alloy scrap are, in the quarter from October 1, 1942, to December 31, 1942, limited to 70% of the aggregate usage of such products and scrap in the last calendar quarter of 1940, and in each subsequent calendar quarter limited to 60% of such aggregate usage in the corresponding quarter of the year 1940: *Provided,* That, for electrotyping and rotogravure 33⅓% of the allowable usage shall be in the form of copper or copper base alloy printing scrap during the month of February, 1943, 50% of the allowable usage shall be in such form during the month of March 1943, and 75% of the allowable usage shall be in such form in each month after March, 1943: *And, further provided,* That for copper plate engraving of calling cards, greeting cards, social and business stationery and other similar articles, 100% of the allowable usage for the engraving of such plates shall be (i) of copper products or copper base alloy products which were in the possession of the engraver using them on December 31, 1942 or (ii) of copper scrap or copper base alloy scrap (old engraved plates), and in either event the engraver shall sell and deliver as scrap to a scrap dealer before the end of each calendar quarter beginning with the first calendar quarter of 1943, three pounds of copper or copper base alloy scrap in the form of old engraved plates for each one pound of copper products or copper base alloy products which he engraved for use in printing calling cards, greeting cards, social and business stationery and other similar articles during said calendar quarter. Nothing contained in this paragraph (f) (1) of this amended order shall affect the prohibition against the manufacture of powder containing copper products or copper base alloy products contained in paragraph (a) and the Combined List of this amended order.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 20th day of January 1943.

ERNEST KANZLER,
Director General for Operations.

[F. R. Doc. 43-1032; Filed, January 20, 1943; 5:02 p. m.]

PART 1031—MOLASSES

[General Preference Order M-54 as Amended Jan. 21, 1943]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of molasses for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1031.1 *General Preference Order M-54* — (a) *Definitions.* For the purposes of this order:

(1) "Molasses" means any molasses, sirup, sugar solution, or any form of fermentative sugar including hydrol (derived from sugar cane, sugar beets or corn) other than direct-consumption sugar (as defined in General Preference Order No. M-55 As Amended January 24, 1942) or sugar intended for and used for manufacture into direct-consumption sugar. Blackstrap molasses is any final molasses produced in the manufacture of sugar from sugar cane or from the refining of raw sugar and includes all beet molasses produced in the manufacture of sugar from sugar beets. Invert molasses is any molasses made from sugar cane without extraction of sugars. Hydrol is corn sugar molasses. For the purpose of this order one gallon of invert molasses is to be construed as 1½ gallons of blackstrap molasses and one gallon of hydrol is to be construed as one gallon of blackstrap molasses.

(2) "Producer" means any person engaged in the production of molasses and includes any person who has molasses produced for him pursuant to toll agreement.

(3) "Importer" means any person who transports molasses in any manner into the continental United States. Release from the bonded custody of the United States Bureau of Customs shall be deemed a transportation.

(4) "Primary distributor" means any person, other than an importer or a producer, who sells molasses which he has acquired (other than as broker) from an importer or a producer.

(5) "Secondary distributor" means any person, other than an importer, producer or primary distributor, who sells molasses which he has acquired (other than as broker) from some person other than an importer or producer.

(6) A person may, at the same time, be an importer, a producer, a primary distributor and a secondary distributor. His classification, in a particular case, will be determined by the source of the molasses involved; i. e., with respect to molasses imported, he will be an importer, with respect to molasses acquired from a producer, he will be a primary distributor, etc.

(7) "Broker" means any person who buys and sells molasses on a fee basis as agent either for the buyer or the seller or both.

(8) "Class 1 purchaser" means any person who requires molasses in the manufacture of any one or more of the following products:

(i) Insecticides (except as provision is made therefor in paragraphs (a) (14) and (d) (3) hereof).
(ii) Lactic acid.
(iii) Graphite paste.
(iv) Printing rollers.
(v) Dye stuffs.
(vi) Ink.
(vii) Ephedrine.
(viii) Sugar for human consumption (produced from beet molasses).
(ix) Denatured rum for flavoring.
(x) Biological and pharmaceutical products for human and veterinary uses.

and any person who requires molasses for any one or more of the following purposes:

(xi) Dust extraction.
(xii) Leather tanning.

(9) "Class 2 purchaser" means any person who requires molasses in the manufacture (including custom grinding) of mixed feeds (including molasses treated beet pulp).

(10) "Class 3 purchaser" means any person who requires molasses in the manufacture of any one or more of the following products:

(i) Yeast.
(ii) Citric acid.

(11) "Class 4 purchaser" means any person who requires molasses in the manufacture of vinegar and any person who requires molasses for foundry purposes.

(12) "Class 5 purchaser" means any person who requires molasses in the manufacture (including blending and/or packaging) of any one or more of the following products:

(i) Molasses (edible).
(ii) Sirup (edible).

(13) "Class 6 purchaser" means any person who requires molasses in the manufacture of other products for human consumption (not specified above).

(14) "Class 7 purchaser" means any person who requires molasses for sale directly (without the intervention of any other handler) to persons who require the same for ensilage direct feed or insect control.

(15) "Calendar quarter" means the several three month periods of the year commencing January 1, April 1, July 1, and October 1.

(16) "Calendar quarterly supply" means a quantity of molasses not in excess of the quantity used by a purchaser listed above during a corresponding calendar quarter in the twelve month period ended June 30, 1941. Purchasers shall determine a calendar quarterly supply with respect to each use specified in the applicable subparagraph above. Quantity shall in all cases be computed on a blackstrap molasses basis.

(17) "30 day supply" means a quantity of molasses not in excess of one-twelfth of the quantity used by a purchaser listed above during the twelve month period ended June 30, 1941. Purchasers shall determine a 30 day supply with respect to each use specified in the applicable subparagraphs above. Quantity shall in all cases be computed on a blackstrap molasses basis.

(18) "Fiscal year" means the twelve month period commencing October 1 and ending September 30.

(19) "Yearly supply" means a quantity of molasses not in excess of the quantity used by a purchaser listed above during the twelve month period ended June 30, 1941. Purchasers shall determine a yearly supply with respect to each use specified in the applicable subparagraph above. Quantity shall in all cases be computed on a blackstrap molasses basis.

(b) *Applicability of Priorities Regulation 1.* This order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1, as amended from time to time, except to the extent that any provisions hereof may be inconsistent therewith, in which case the provisions of this order shall govern.

(c) *Restrictions on deliveries.* Anything in Priorities Regulation 1 to the contrary notwithstanding:

(1) No Class 1, 2, 3, 4, 5, 6 or 7 purchaser shall, during any calendar quarter (fiscal year in the case of a Class 3 or 5 purchaser), accept deliveries of molasses in excess of the quantity set forth below less any quantity in excess of a 30 day supply on hand on the first day of the calendar quarter (fiscal year in the case of a Class 3 or 5 purchaser) in which delivery is to be made:

(i) Class 1 purchaser—during any calendar quarter, 100% of a calendar quarterly supply.

(ii) Class 2 purchaser—during the calendar quarter commencing January, 1942, 55% of a calendar quarterly supply; during any calendar quarter thereafter, 50% of a calendar quarterly supply.

(iii) Class 3 purchaser—during a fiscal year, 110% of a yearly supply.

(iv) Class 4 purchaser—during any calendar quarter, 110% of a calendar quarterly supply.

(v) Class 5 purchaser—during a fiscal year, 100% of a yearly supply.

(vi) Class 6 purchaser—during any calendar quarter, 100% of a calendar quarterly supply.

(vii) Class 7 purchaser—during any calendar quarter, 100% of a calendar quarterly supply.

(2) Prior to delivery of molasses, within the limitations of paragraph (c) (1) hereof, the prospective deliveree, if he be a Class 1, 2, 4, 6 or 7 purchaser, shall submit to the deliveror a certificate in substantially the following form, properly filled out and manually signed by a duly authorized official:

The delivery, in the calendar quarter ended , of gallons of molasses (blackstrap molasses basis), in connection with which this certificate is furnished, will not, taking into consideration molasses received and to be received during the same calendar quarter from all sources and inventory on hand on the first day of such calendar quarter, be in excess of per cent of a calendar quarterly supply to which the undersigned, as a Class purchaser, is entitled pursuant to General Preference Order No. M-54, amended, with the terms of which order the undersigned is familiar.

Dated:

(Name of purchaser)

By ---

(Duly authorized official)

Prior to delivery of molasses, within the limitations of paragraph (c) (1) hereof, the prospective deliveree, if he be a Class 3 or 5 purchaser, shall submit to the deliveror a certificate in substantially the following form, properly filled out and manually signed by a duly authorized official:

The delivery of gallons of molasses (blackstrap molasses basis), in connection with which this certificate is furnished, will not, taking into consideration molasses received and to be received during this fiscal year from all sources and inventory on hand on the first day of this fiscal year, be in excess of percent of a yearly supply to which the undersigned, as a Class purchaser, is entitled pursuant to General Preference Order No. M-54, amended, with the terms of which order the undersigned is familiar.

Dated:

(Name of purchaser)

By ---

(Duly authorized official)

(3) No person shall knowingly deliver molasses to any Class 1, 2, 3, 4, 5, 6 or 7 purchaser in violation of the terms of subparagraphs (c) (1) and (2) hereof.

(4) Except as otherwise provided in paragraph (d) hereof, no deliveries of molasses shall be made by any producer, primary distributor, secondary distributor or importer unless the same shall have been specifically authorized by the Director General for Operations; and no person shall accept delivery of molasses if such delivery would be made in violation of the foregoing clause.

(5) [Revoked January 21, 1943.]

(d) *Permissive deliveries.* Subject to the provisions of Priorities Regulation No. 1, amended, (and more particularly the inventory provisions thereof) and paragraphs (f) and (g) hereof, the following deliveries of molasses shall not be subject to the provisions of paragraph (c) (4) hereof:

(1) Within the limitations of paragraphs (c) (1) and (2) hereof, deliveries to purchasers specified in paragraph (a) hereof.

(2) Deliveries to primary distributors and secondary distributors for purposes of resale. All quantities of molasses, delivery of which primary distributors and secondary distributors accept, shall be subject to allocation, re-distribution or re-delivery in accordance with specific directions which the Director General for Operations may from time to time hereafter issue.

(3) Deliveries by a Class 7 purchaser (of molasses to which he is entitled pursuant to paragraph (c) (1) (vii) hereof) to persons who require molasses for ensilage, direct feed or insect control.

(4) Deliveries of any one of the products specified in paragraph (a) (12) hereof which after manufacture (including blending and/or packaging) fall within the definition of molasses.

(5) Deliveries originating, completed and for use outside of the continental United States.

(6) Deliveries to an importer originating outside of the continental United States.

(e) *Restrictions on consumption.* Unless otherwise authorized by the Director General for Operations, no purchaser specified in paragraph (a) hereof shall, during any calendar quarter commencing with the month of January, 1942, use or consume more molasses:

(1) Than he would be permitted to receive during such calendar quarter, in the case of a Class 1, 2, 4, 6 or 7 purchaser (assuming that such purchaser had no molasses on hand on the first day of the calendar quarter).

(2) Than 110% of a calendar quarterly supply, in the case of a Class 3 purchaser.

(3) Than a calendar quarterly supply, in the case of a Class 5 purchaser.

(f) *Restrictions with respect to beverage spirits.* Except as may be otherwise provided by the Director General for Operations, after January 15, 1942, no person shall deliver, use, or accept delivery of molasses for the manufacture of beverage spirits.

(g) *Restrictions on export.* No molasses shall be exported by any person except upon express authorization of the Director General for Operations.

(h) *Intra-company transactions.* The prohibitions or restrictions contained in this order with respect to deliveries shall, in the absence of a contrary direction, apply not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of the same or any other enterprise owned or controlled by the same person.

(i) *Prior authorizations.* Specific mail or telegraphic authorizations heretofore issued by the Director General for Operations by way of relief from the provisions of this order as it existed prior to March 27, 1942 shall not be prejudiced or in any manner affected hereby.

(j) *Reports.* Reports shall be made at such times, on such forms and with respect to such matters as shall be prescribed by the Chemicals Division of the War Production Board. Importers shall notify the Chemicals Division of the War Production Board of the importation of molasses into the continental United States at least fifteen (15) days prior to movement of the same from the place of origin. The following persons shall fill out and file with the Chemicals Division of the War Production Board the forms set forth below at the times and in the manner prescribed in said forms:

Manufacturers (using molasses) of yeast, citric acid and edible sirup or molasses—Form PD-456,

Manufacturers (using molasses) of Alcohol—Form PD-457,

Producers, importers and primary distributors of molasses—Form PD-458.

(k) *Notification of customers.* Producers, distributors and importers shall, as soon as practicable, notify each of their regular customers of the requirements of this order, but the failure to give such notice shall not excuse any person from the obligation of complying with the terms of this order.

(l) *Violations or false statements.* Any person who violates this order or who wilfully falsifies any records which he is required to keep by the terms of this order, or by the Director General for Operations, or otherwise wilfully furnishes false information to the Director General for Operations or to the War Production Board may be deprived of priorities assistance or may be prohibited by the Director General for Operations from obtaining further deliveries of materials subject to allocation. The Director General for Operations may also take any other action deemed appropriate, including the making of a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(m) *Appeals.* Any person affected by this order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him, or that it would result in a degree of unemployment which would be unreasonably disproportionate compared with the amount of molasses conserved, or that compliance with this order would disrupt or impair a program of conversion from non-defense to defense work, may appeal to the War Production Board, Reference: M-54, attention Chemicals Division, setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director General for Operations may thereupon take such action as he deems appropriate.

(n) *Exemptions.* None of the restrictions, prohibitions or requirements contained in this order shall apply to the delivery, acceptance of delivery or use of molasses outside of the continental United States.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 21st day of January 1943.

ERNEST KANZLER,
Director General for Operations.

[F. R. Doc. 43-1039; Filed, January 21, 1943; 10:53 a. m.]

PART 1132—PRINTING INK

[Conservation Order M-53, as Amended Jan. 21, 1943]

Section 1132.1 *Conservation Order M-53,* as amended June 29, 1942, is hereby amended to read as follows:

§ 1132.1 *Conservation Order M-53*—(a) *Definitions.* (1) "Producer" means any person engaged in the manufacture of printing inks for sale to others or for his own consumption, but does not include the Government Printing Office or the Bureau of Engraving and Printing of the United States.

(2) "Printing ink" includes any fluid or viscous material or composition of materials used in printing, impressing, stamping or transferring upon paper or paper-like substances, wood, fabrics or metals by the recognized mechanical reproductive processes employed in printing, publishing and related service industries.

(3) "News ink" means any black ink made from mineral oil and carbon black, with or without rosin, used in the production of newspapers and newspaper supplements.

(4) "Non-scratch ink" means an ink containing resins for the purpose of increasing hardness and reducing abrasion.

(b) *Restrictions on use.* In the manufacture of printing ink, no producer shall:

(1) Use any oil soluble toner in any black ink, nor a toner of any form in news ink.

(2) Use any alkali blue or other organic toner as a toner for black ink in excess of eight percent (8%), by weight, of such black ink where such alkali blue or other organic toner is in paste form or, where in the form of dry color, then in excess of four percent (4%), by weight, of such black ink.

(3) Use any glycerol phthalate resins or phenolic resins for the production of any gloss ink, non-scratch ink or gloss overprint varnish: *Provided, however,* That nothing contained in this paragraph (b) (3) shall restrict the use of varnishes containing such resins in the inventories of ink producers, printers, or manufacturers of varnishes for the printing ink industry, where such varnishes were manufactured prior to March 30, 1942, for use in the manufacture of printing ink.

(c) *Prohibitions against sales or deliveries of materials.* No person shall hereafter sell or deliver any of the materials named in paragraph (b) hereof to any other person if he knows or has reason to believe such material is to be used in violation of the terms of this order.

(d) *Miscellaneous provisions*—(1) *Applicability of priorities regulations.* This order and all transactions affected hereby are subject to all applicable provisions of the priorities regulations of the War Production Board, as amended from time to time.

(2) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(3) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(4) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order shall, unless otherwise directed, be addressed to: War Production Board, Chemicals Division, Washington, D. C.: Ref.: M-53.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 21st day of January, 1943.

ERNEST KANZLER,
Director General for Operations.

[F. R. Doc. 43-1038; Filed, January 21, 1943; 10:53 a. m.]

PART 1162—DYESTUFFS AND ORGANIC PIGMENTS

[Conservation Order M-103, as Amended Jan. 21, 1943]

1. Part 1162 (formerly "Dyestuffs") is hereby amended to read "Dyestuffs and Organic Pigments."

2. Section 1162.1 *Conservation Order M-103* is hereby amended to read as follows:

§ 1162.1 *Conservation Order M-103*—(a) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of all the priorities regulations of the War Production Board, as amended from time to time.

(b) *Definitions.* For the purposes of this order:

(1) "Dyestuffs and organic pigments" means any coloring matter with the exception of coloring matter the chemical constituents whereof are entirely inorganic in nature, and shall not include inorganic pigments which may be extended or otherwise processed with resinates, dispersing agents, or other substantially colorless organic material.

(2) "Class A dyestuffs and organic pigments" means the anthraquinone vat dyes appearing on List A attached hereto.

(3) "Class B dyestuffs and organic pigments" means all anthraquinone vat dyes other than those appearing on List A, and shall also include Fast Red A. L. Salt, which shall be considered an anthraquinone vat dye of single strength.

(4) "Class C dyestuffs and organic pigments" means all anthraquinone dyes other than anthraquinone vat dyes.

(5) "Class D dyestuffs and organic pigments" means all dyestuffs and organic pigments which:

(i) Are not Class A, Class B or Class C dyestuffs and organic pigments, and

(ii) Are not derived from vegetable or animal sources, and

(iii) Are not synthesized or produced in whole or in part from benzene, aniline, toluene, phthalic anhydride, phenols, cresols, xylonols, or derivatives of any of the foregoing.

(6) "1943 dollar value" means the dollar value computed from the domestic consumers contract sales price as of January 1, 1943.

(7) "Continental United States" means the 48 states, the District of Columbia and the Territory of Alaska.

(c) *Restrictions on sale, purchase and use*—(1) *Class A.* Except in the case of sales and deliveries for export within the limitations prescribed in paragraph (d), and except as provided in paragraph (f), no person shall sell, deliver, accept delivery of, or use any Class A dyestuffs and organic pigments.

(2) *Class B.* Except as provided in paragraph (f), no person shall, in any calendar quarter, deliver to any other person or persons for use in the continental United States or Canada an amount of Class B dyestuffs and organic pigments in excess of 15% of the amount of Class A and Class B dyestuffs and organic pigments delivered by such person to all other persons in the year 1941 for such use.

Except as provided in paragraph (f), no person shall, in any calendar quarter accept delivery of, for use in the continental United States or Canada, an amount of Class B dyestuffs and organic pigments in excess of 15% of the amount of Class A and Class B dyestuffs and organic pigments delivered to such person from all sources in the year 1941 for such use.

For the purposes of this subparagraph, amounts of Class A and Class B dyestuffs and organic pigments shall be calculated in pounds of equivalent single strength anthraquinone vat dyes and shall be raised, but only to the extent necessary, to equal 25 pounds or a multiple thereof.

(3) *Class C.* Except as provided in paragraph (f), no person shall, in any calendar quarter, deliver to any other person or persons for use in the continental United States or Canada a total 1943 dollar value of Class C dyestuffs and organic pigments in excess of 15% of the total 1943 dollar value of Class C dyestuffs and organic pigments delivered by such person to all other persons in the year 1941 for such use.

Except as provided in paragraph (f), no person shall, in any calendar quarter, accept delivery of, for use in the continental United States or Canada, a total 1943 dollar value of Class C dyestuffs and organic pigments in excess of $100, or 15% of the total 1943 dollar value of Class C dyestuffs and organic pigments delivered to such person from all sources in the year 1941, for such use, whichever is higher.

(4) *Class D.* Except as provided in paragraph (f), no person shall, in any calendar quarter, deliver to any other person or persons for use in the continental United States or Canada a total 1943 dollar value of Class D dyestuffs and organic pigments in excess of 15% of the total 1943 dollar value of Class D dyestuffs and organic pigments delivered by such person to all other persons in the year 1941 for such use.

Except as provided in paragraph (f), no person shall, in any calendar quarter, accept delivery of, for use in the continental United States or Canada, a total 1943 dollar value of Class D dyestuffs and organic pigments in excess of $100, or 15% of the total 1943 dollar value of Class D dyestuffs and organic pigments delivered to such person from all sources in the year 1941 for such use, whichever is higher.

In determining the 1943 dollar value of dry and wet dispersions of organic pigments for the purposes of this subparagraph, only the organic pigment content of such dispersions shall be considered and the value of such content shall be based on the 1943 dollar value of a comparable dry pigment.

(5) *Use by producer of own dyestuffs.* For the purposes of subparagraphs (2), (3) and (4) of this paragraph amounts of dyestuffs and organic pigments of his own production which are, or have been, used by any person in any calendar quarter, or in the year 1941, shall be considered as having been delivered to such person in the calendar quarter, or the year 1941, as the case may be.

(d) *Restrictions on export*—(1) *General restrictions.* No producer shall sell for export from the continental United States to any country other than Canada any dyestuffs and organic pigments produced by him except that any producer may sell for such export upon orders accompanied by individual export licenses issued by the Board of Economic Warfare, the applications for which show thereon the corresponding current domestic sales price of the dyestuffs and organic pigments to be exported, or upon orders covered by general export licenses, a total amount of dyestuffs and organic pigments in each calendar quarter, the total 1943 dollar value of which is not in excess of:

(i) ¾% of the total 1943 dollar value of dyestuffs and organic pigments sold by him in the year 1941, plus

(ii) 17% of the total 1943 dollar value of dyestuffs and organic pigments sold for export in the year 1941 to all countries other than Canada.

(2) *Further restrictions on Class A, B, and C dyestuffs.* The amount of Class A dyestuffs and organic pigments produced by him which a producer may sell for export in any calendar quarter within the limits prescribed in subparagraph (1) shall not exceed ¾% of the total 1943 dollar value of Class A dyestuffs and organic pigments sold by him in the year 1941; and the total amount of Class A, Class B and Class C dyestuffs and organic pigments produced by him which a producer may sell for export in any calendar quarter shall not exceed 2% of the total 1943 dollar value of Class A, Class B, and Class C dyestuffs and organic pigments sold by him in the year 1941.

(3) *Carry-over of unused portion of export quota.* Any amounts of dyestuffs and organic pigments of any class which a producer may sell for export in the first calendar quarter of 1943, or any subsequent calendar quarter, within the provisions of subparagraphs (1) and (2), and which are not sold for export within such quarter may be carried over to the following quarter or quarters and operate to increase the corresponding quota for such class for such subsequent quarter or quarters to that extent. For the purposes of this subparagraph, all dyestuffs and organic pigments other than Class A, Class B and Class C dyestuffs and organic pigments shall be considered one class.

(e) *Treatment of mixtures of dyestuffs.* In the case of physical mixtures of dyestuffs and organic pigments of different classes, as defined in paragraph (b), containing a component or components of one class to the extent of at least 90% of the 1943 dollar value of such mixture, such mixtures shall be considered for the purposes of this order as belonging in entirety to the class to which the said component or components belong. In the case of all other physical mixtures of dyestuffs and organic pigments, the classes of components shall be considered separately.

(f) *General exceptions.* The prohibitions and restrictions of paragraphs (c) and (d) shall not apply to:

(1) Sales and deliveries of dyestuffs and organic pigments to the Army or Navy of the United States, the United States Maritime Commission, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the National Advisory Commission for Aeronautics, the Office of Scientific Research and Development, the War Shipping Administration, the Defense Plant Corporation, the Government Printing Office or the Bureau of Engraving and Printing, or to the Government of Canada, or to any agency of the United States Government for delivery to any foreign country pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act), or

(2) Sales or deliveries of dyestuffs and organic pigments to any person for use in the manufacture of any item which is being produced under a specific contract or subcontract for any of the agencies mentioned in subparagraph (1) or the government of Canada, and the use for such manufacture but only to the extent required by the specifications of the prime contract, or

(3) Sales and deliveries of dyestuffs and organic pigments for use in, or resale for use in, and such use in, the manufacture of products to be physically incorporated in uniforms for:

(i) Officers and enlisted personnel of the Army and Navy of the United States (including the Marine Corps and Coast Guard), including nurses.

(ii) U. S. Government military and naval academy and training school students.

(iii) U. S. Maritime Commission and War Shipping Administration officers.

(iv) U. S. Coast and Geodetic Survey officers.

(v) U. S. Public Health Service officers and nurses, or

(4) Sales and deliveries to any person of amounts of dyestuffs and organic pigments to replace in inventory amounts of dyestuffs and organic pigments which, although not acquired for any of the uses referred to in subparagraphs (2) and (3), were nevertheless used for one of such purposes.

(5) Sales and deliveries of dyestuffs and organic pigments by or from a producer or his exclusive sales agent to another producer or the exclusive sales agent of such other producer, or

(6) Sales to, deliveries to, and use by any person for coloring of gasoline, *Provided, however,* That all sales and deliveries of dyestuffs and organic pigments exempted from the prohibitions and restrictions of paragraphs (c) and (d) by subparagraphs (2), (3) and (4) of this paragraph shall be made only upon the receipt by the vendor from the purchaser of a certificate signed by such purchaser, or by a person authorized to sign in his behalf, in substantially the following form:

The undersigned hereby certifies to his vendor and to the War Production Board that the amount of dyestuffs and organic pigments to be delivered on the annexed purchase order will be used for one or more of the purposes specified in paragraph (f) of Conservation Order M-103, or will replace inventory so used.

(g) *Restrictions on use of meta-toluylene diamine.* No person shall use any meta-toluylene diamine in the developing of diazotized dyes already present on textile fibers; *Provided,* That nothing contained herein shall be construed to prohibit the use of meta-toluylene diamine in the manufacture of dyestuffs and organic pigments. The term "meta-toluylene diamine" as used in this paragraph (g) shall include, without being limited to, the products commonly known in the trade as Amanil Developer B, Pontamine Developer TN, Developer D, Developer DB, Developer MT, Developer MTD or Developer TD.

(h) *Restrictions on use of anthraquinone.* No person shall use any anthraquinone in any physical form in discharging stripping or destroying napthol (azoic), vat, or other dyes already present on textile fibers: *Provided,* That nothing contained herein shall be construed to prohibit the use of anthraquinone in the manufacture of dyestuffs and organic pigments. The term "discharging" as used in this paragraph (h), shall include, without being limited to, color and white discharge printing.

(i) *Restrictions on use of annato and extracts.* No person shall use any annato or annato extracts for the purpose of coloring any materials other than food products.

(j) *Restrictions on inventory.* In addition to the restrictions on inventory contained in Priorities Regulation No. 1 (§ 944.14), no person using dyestuffs shall hereafter purchase or accept delivery of any Class A dyestuffs and organic pigments which will increase his inventory thereof beyond an amount which, to the best of his knowledge and belief, will be used by him in the next 45 days; except that, notwithstanding the provisions of such regulations and this paragraph (j), any person purchasing directly from the Defense Supplies Corporation may hold as inventory any amount of Class A dyestuffs and organic pigments so purchased: *Provided, however,* That such amounts purchased from the Defense Supplies Corporation shall be taken into account in determining the size of inventory insofar as purchases and deliveries from other persons are concerned.

(k) *Prohibitions against sales or deliveries.* No person shall hereafter sell or deliver any dyestuffs and organic pigments to any person, if he knows, or has reason to believe, such material is to be used in violation of the terms of this order.

(l) *Reports.* All persons affected by this order shall execute and file with the War Production Board such reports and questionnaires as may be required by the said Board from time to time. No reports or questionnaires are to be filed by any person until forms therefor have been prescribed by the War Production Board.

(m) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(n) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using material under priority control and may be deprived of priorities assistance.

(o) *Communications to the War Production Board.* All communications concerning this order, or any reports required to be filed hereunder shall, unless otherwise directed, be addressed to: War Production Board, Textile, Clothing and Leather Division, Washington, D. C., Reference: M-103.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 21st day of January 1943.

ERNEST KANZLER,
Director General for Operations.

LIST A

PART I—TECHNICAL NAMES

1. Brown R CI 1151.
2. Brown G CI 1152.
3. Olive R CI 1150.
4. Golden orange R CI 1097.
5. Khaki 2G.
6. Olive T.
7. Olive GGL.
8. Olive green B.
9. Yellow 3RD.

PART II—TRADE NAMES

Amanthrene olive green B.
Calcoloid golden orange RRTD CI 1097.
Calcosol brown G CI 1152.
Calcosol brown R CI 1151.
Calcosol brown RP CI 1151.
Calcosol golden orange RRTD CI 1097.
Calcosol golden orange RRTP CI 1097.
Calcosol khaki G Pr 122.
Calcosol olive R CI 1150.
Carbanthrene brown AR CI 1151.
Carbanthrene brown AG CI 1152.
Carbanthrene golden orange RRT CI 1097.
Carbanthrene prtg. golden orange RRT CI 1097.
Carbanthrene khaki 2G Pr 122.
Carbanthrene olive R CI 1150.
Cibanone brown BG CI 1152.
Cibanone brown GR CI 1151.
Cibanone golden orange 2R CI 1097.
Cibanone olive 2R CI 1150.
Indanthrene brown FRA CI 1151.
Indanthrene brown GA CI 1152.
Indanthrene brown GAF CI 1152.
Indanthrene brown GAP CI 1152.
Indanthrene brown GWF CI 1152.
Indanthrene brown GWP CI 1152.
Indanthrene brown RA CI 1151.
Indanthrene brown RAP CI 1151.
Indanthrene brown RWP CI 1151.
Indanthrene khaki 2GA Pr 122.
Indanthrene khaki 2GF Pr 122.
Indanthrene khaki 2GWP Pr 122.
Indanthrene olive green BA.
Indanthrene olive RA CI 1150.
Indanthrene olive RAP CI 1150.
Indanthrene olive RW CI 1150.
Indanthrene olive RWF CI 1150.
Indanthrene orange RRTA CI 1097.
Indanthrene orange RRTF CI 1097.
Indanthrene orange RRTP CI 1097.
Indanthrene orange RRTW CI 1097.
Indanthrene yellow 3RD.
Indanthrene olive T.
Ponsol brown AG.
Ponsol brown AR CI 1151.
Ponsol brown ARS CI 1151.
Ponsol green 2BL.
Ponsol golden orange RRT CI 1097.
Ponsol golden orange RRTS CI 1097.
Ponsol khaki 2G.
Ponsol olive AR CI 1150.
Ponsol olive ARS CI 1150.
Ponsol olive GGL.

[F. R. Doc. 43-1040; Filed, January 21, 1943; 10:53 a. m.]

PART 3053—CONVEYING MACHINERY AND MECHANICAL POWER TRANSMISSION EQUIPMENT

[General Limitation Order L-193 as Amended Jan. 21, 1943]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of certain critical materials, and in the engineering and other facilities, used in the manufacture of conveying machinery and mechanical power transmission equipment, for defense, for private account, and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3053.1 *General Limitation Order L-193*—(a) *Definitions.* For the purpose of this order:

(1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(2) "Conveying machinery" means any machinery (and any important component part thereof) used for the mechanical handling of materials; except (i) belting, (ii) farm machinery, (iii) machinery or parts used on board ship in the operation of any vessel owned or operated by the Army, Navy, Maritime Commission, or War Shipping Administration, or used in the operating of aircraft, tanks, ordnance, or similar combat equipment, (iv) power and hand lift trucks, (v) cranes, hoists and platform elevators, (vi) construction mixers, pavers, graders, drag lines and power shovels, and similar construction ma-

chinery, (vii) cars and car dumpers, (viii) steel mill tables, (ix) sintering conveyors, (x) metal pig conveyors, and (xi) underground mining machinery.

(3) "Mechanical power transmission equipment" means equipment (and any important component part thereof) of the following kinds (except equipment or parts used in the operation of any vessel owned or operated by the Army, Navy, Maritime Commission, or War Shipping Administration, or used in the operation of aircraft, tanks, ordnance or similar combat equipment):

(i) Open and enclosed gearing for transmitting more than ¼ horsepower; except marine propulsion gears, gears manufactured by a person for incorporation into other machinery also produced by him, gears built into turbines, and gears used on household, manually powered, automotive, or farm machinery;

(ii) Mechanical drives and parts thereof for transmitting more than ¼ horsepower; except belting, drives manufactured by a person for incorporation into other machinery also produced by him, and drives used on household, manually powered, automotive, or farm machinery.

(4) "Order" includes any arrangement for the delivery of conveying machinery or mechanical power transmission equipment, whether by purchase and sale, lease, rental or otherwise.

(5) "Engineering services" means services of an engineering nature rendered for a customer or prospective customer in connection with an order or prospective order for the planning, designing, manufacture, delivery, installation, extension, or rearrangement of conveying machinery, or in connection with any bid or estimate or prospective bid or estimate for such an order; but does not include preliminary conferences, discussions, or advice, or the making of line drawings for preliminary purposes, prior to the formulation of a bid or estimate.

(6) "Bid or estimate" means a definitive bid or estimate for the planning, designing, manufacture, delivery, installation, extension, or rearrangement of conveying machinery, but does not include preliminary estimates not intended to form a basis for a firm order.

(7) "Manufacture" means fabrication or shop assembly of conveying machinery or mechanical power transmission equipment, or any component part thereof; but does not include the making of engineering drawings, blue prints, designs, estimates, or surveys.

(8) "Restricted order" means any order for new conveying machinery or mechanical power transmission equipment or parts, in the amount of $5,000 or more (not including amounts applicable to foundations or erection labor); and any order which is part of a planned group of orders for new conveying machinery or mechanical power transmission equipment, aggregating $5,000 or more in amount (not including amounts applicable to foundations or erection labor) for items, units or parts of conveying machinery or mechanical power transmission equipment having related operational functions.

(9) "Anti-friction bearings" means all types of ball, needle and roller bearings.

(b) *Restrictions on acceptance and placing of orders.* (1) On and after October 7, 1942 no person shall place or tender, and no person shall accept, any restricted order, unless the order has been authorized by the Director General for Operations as provided in paragraph (d) below.

(2) On and after October 7, 1942 no person shall render engineering services, or make any bid or estimate, for any restricted order, and no person shall order or request any such engineering services or invite any such bid or estimate; except with respect to an order theretofore authorized by the Director General for Operations, in accordance with the provisions of paragraph (d) below.

(3) The provisions of paragraph (b) shall not apply to any order for machinery or equipment for the direct use of the Army, Navy, Maritime Commission, or War Shipping Administration (as defined in paragraph (c) (3)) or to any engineering services or bid or estimate in connection therewith.

The provisions of paragraph (b) (2) above shall not apply to any engineering services in connection with any restricted order accepted by the manufacturer prior to October 7, 1942, or to any engineering services in connection with any bid or estimate which was in the process of formulation on that date.

(c) *Restrictions on manufacture and delivery.* (1) Except as otherwise provided in paragraph (c) (3) hereof, on and after October 7, 1942 no person shall commence or continue the manufacture of any conveying machinery or mechanical power transmission equipment or parts therefor, in fulfillment of any restricted order, and no person shall deliver or accept delivery of any such machinery or equipment or parts therefor, in fulfillment of any restricted order; unless the order shall have been authorized by the Director General for Operations, in accordance with the provisions of paragraph (d) below. No person shall maintain an inventory of parts for conveying machinery or mechanical power transmission equipment in excess of a minimum practicable working inventory.

(2) Except as otherwise provided in paragraph (c) (3) hereof, on and after October 7, 1942 no person shall manufacture or deliver, and no person shall knowingly accept the delivery of, any conveying machinery or mechanical power transmission equipment, or parts therefor, unless such machinery or equipment or parts are manufactured in accordance with the restrictions on the use of materials prescribed in Schedule A hereto: *Provided, however,* That parts fabricated or processed, prior to October 7, 1942 to the point where other use is impracticable, may be used in fulfillment of any order at any time.

(3) The limitations and restrictions of paragraph (c) shall not apply:

(i) To the manufacture or delivery of any conveying machinery or mechanical power transmission equipment in the process of manufacture on October 7, 1942 in fulfillment of any order accepted by the manufacturer prior to August 1, 1942.

(ii) For ninety days following October 7, 1942, to the manufacture or delivery of any conveying machinery or mechanical power transmission equipment in the process of manufacture on October 7, 1942 in fulfillment of any order accepted by the manufacturer on or after August 1, 1942 but prior to October 7, 1942.

(iii) For ninety days following October 7, 1942 to the manufacture or delivery in fulfillment of any order for the use of the Army, Navy, Maritime Commission or War Shipping Administration, to the extent that any applicable specifications of the Army, Navy, Maritime Commission, or War Shipping Administration, require construction, design, or materials not in accordance with the provisions of this order. As used herein, the terms "Army", "Navy", "Maritime Commission" or "War Shipping Administration" shall not include any privately operated plant or shipyard financed by or controlled by any of those organizations, or operated on a cost-plus-fixed-fee basis. For the purposes of this paragraph (c) an order for machinery or equipment shall be deemed to have been in the process of manufacture on October 7, 1942 only if fabrication or assembly of a component part, in fulfillment of such order and not for inventory or stock, was begun prior to October 7, 1942.

(d) *Procedure for obtaining authorization of Director General for Operations.* (1) The authorization of the Director General for Operations for orders accepted on or after October 7, 1942, required by the provisions of paragraph (b), may be applied for by the purchaser by filing an application on Form PD-631 with the Director General for Operations.

(2) The authorization for orders accepted prior to October 7, 1942 by the manufacturer, required by the provisions of paragraph (c) (1), may be applied for by the manufacturer. Such application shall be made by letter in duplicate filed with the Director General for Operations and shall contain a list of restricted orders of such manufacturer then on hand, together with the name of the purchaser, the date of each order and value thereof, a description of the equipment or machinery, the specified delivery date, the percentage of completion of the order on October 7, 1942, the Production Code symbols, the preference rating and preference rating certificate or general preference rating order number applicable to each order.

(3) The authorization of the Director General for Operations shall apply not only to the order by the original purchaser for the machinery or equipment covered by the above mentioned Form PD-631 or the application under subparagraph (2)

above, but also to any orders for conveying machinery or mechanical power transmission equipment placed by such purchaser's suppliers in fulfillment of the authorized order. The original purchaser shall either (i) transmit a reproduction of the authorization of the Director General for Operations to his supplier of the authorized order or (ii) furnish him with the following certification (on the order or in an attached document):

I hereby certify that the within (or attached) order has been authorized by the Director General for Operations under the provisions of paragraph (d) of General Limitation Order L–193, by authorization No. , dated , , covering the within described machinery or equipment.

---------- Company

By ---------- .
(authorized official)

The purchaser's supplier shall furnish a similar certification on or in connection with any restricted order which he places in fulfillment of the purchaser's authorized order.

Any such certification shall be signed by a duly authorized official of the purchaser or supplier making the certification and shall constitute a representation to the War Production Board, as well as to the person to whom addressed, of the facts certified therein.

(e) *Production schedules.* On or before November 15, 1942, and on or before the 15th day of each succeeding calendar month, every manufacturer shall file, in triplicate, a report on Form PD–682 showing such production and delivery schedules for restricted orders and such other information as shall be required by said form. The Director General for Operations may at any time change such schedule of deliveries or production or direct the adoption of any other schedule; allocate any order listed on the schedule to any other manufacturer; or direct the delivery of any conveying machinery or mechanical power transmission equipment listed on the schedule to any other person, at the price and terms previously established with such variation as may be justified under the circumstances.

(f) *Miscellaneous provisions*—(1) *Manufacturers' responsibility with respect to orders less than $5000.* Notwithstanding any other provision of this order, an order in an amount less than $5000 which is a restricted order (as defined in paragraph (a) (8)) because it is part of a planned group of orders aggregating $5000 or more, shall be deemed to be unrestricted with respect to the manufacturer (but not the purchaser), unless the manufacturer has reason to believe that such order is a restricted order.

(2) *Records and reports.* All persons affected by this order shall keep and preserve for not less than two years accurate and complete records concerning inventories, production, and sales. All persons affected by this order shall execute and file with the War Production Board, such reports and questionnaires as the Director General for Operations shall from time to time request.

(3) *Other limitation orders.* Nothing in this order shall be construed to permit any person to sell, deliver, or otherwise transfer, or any manufacturer to purchase, receive delivery of or otherwise acquire any raw materials, semi-processed parts, or finished products in contravention of the terms of any L or M order, or amendments or supplements thereto, or other regulation of the War Production Board effective at the date of any such sale, delivery, or other transfer. Where the limitations imposed by any other L or M order are applicable to the subject matter of this order, the most restrictive limitation shall apply, unless otherwise specifically provided herein.

(4) *Violations.* Any person who wilfully violates any provision of this order, or who wilfully furnishes false information to the Director General for Operations in connection with this order is guilty of a crime and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using material under priority control and may be deprived of priorities assistance by the Director General for Operations.

(5) *Appeals.* Any person affected by this order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him may appeal to the Director General for Operations setting forth the pertinent facts and the reasons he considers he is entitled to relief. The Director General for Operations may thereupon take such action as he deems appropriate.

(6) *Communications.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, General Industrial Equipment Division, Washington, D. C. Ref.: L–193.

(P.D. Reg 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 21st day of January 1943.

ERNEST KANZLER,
Director General for Operations.

SCHEDULE A

RESTRICTIONS AND LIMITATIONS ON THE USE OF MATERIALS IN CONVEYING MACHINERY OR MECHANICAL POWER TRANSMISSION EQUIPMENT

NOTE: Schedule A amended in its entirety Jan. 21, 1943.

(a) As used in this schedule, (1) "alloy steel" and "alloy iron" mean alloy steel and alloy iron as defined in Order M–21–a, as amended and supplemented from time to time; and (2) "line shafting" means any shaft driving two or more machines or any single length or rigidly coupled lengths of shafting supported by three or more bearings.

(b) *Conveying machinery.* The materials listed below are restricted or prohibited in the construction of conveying machinery, as prescribed below; except as the Director General for Operations may waive compliance with any such restriction or prohibition, upon application by the manufacturer or purchaser by letter or other communication, setting forth pertinent facts disclosing the necessity for such waiver.

(1) *Bins, bunkers, hoppers and tanks (when used as part of conveying machinery or equipment).* No metal shall be used in bins, hoppers, tanks, or bunkers having a capacity of more than 400 cubic feet, level filled, except in clips, gussets, bolts, nuts, screws, lag screws, hinges, tension rods, reinforcing bars or mesh, washers, and hopper bottoms of less than 400 cubic feet capacity. No steel plate of a thickness in excess of ¼ inch shall be used in bins, tanks, or hoppers with a capacity of less than 400 cubic feet, level filled. No liner plates of steel or rubber shall be used in steel bins, steel tanks, or steel hoppers. Steel liners for wood bins or wood bunkers shall not exceed No. 10 U. S. gage in thickness.

(2) *Conveyors and elevators.* No alloy steel or alloy iron shall be used for parts of chains (other than chains for the transmission of power); except for (i) pins and bushings in steel conveyor chains or cast sprocket chains, or (ii) chains used in the heat zone of heat treating and metallurgical furnaces, to the extent permitted under Order M–21–g. No bushings other than carbon steel or gray iron shall be inserted in bores of conveyor chain rollers.

(3) *Conveyor and elevator sprockets.* No alloy steel or alloy iron shall be used in chain sprocket wheels, except for sprockets to be used in the heat zone of heat treating and metallurgical furnaces, to the extent permitted under Order M–21–g.

(4) *Conveyor structures.* (i) No steel, except in clips, bearing brackets, gussets, bolts, nuts, screws, lag screws, hinges, tension rods, reinforcing bars, mesh, and washers, shall be used in the following structural parts:

(A) Supports for fixed conveyor frames, except supports for gravity, live roll and package conveyors when the height of the support does not exceed 36 inches.

(B) Fixed bulk material belt conveyor frames (including stringers).

(C) Conveyor galleries.

(D) Belt conveyor decking.

(E) Walkways, toe boards, handrails, stairways, and platforms.

(F) Guards or housing used only for protection.

(G) Bucket elevator casings; except corner angle iron for self-supporting casings, and boot lining and loading legs. Such corner angle iron for self-supporting casings, and boot lining and loading legs shall not exceed ¼ inch in thickness.

(H) Troughs or trough covers for fixed flight, drag, scraper or screw conveyors; except where liquids or semi-liquids are being conveyed, or where the trough is a structural member of the supporting framework; and except for materials or parts used for repairs to such troughs or trough covers. The above mentioned exception for repairs shall not be construed to permit the replacement of non-metallic parts with metal parts, the use of steel to a greater extent or with a greater thickness than used in the part being repaired or replaced, or the use of alloy steels for the replacement of carbon steel materials.

(ii) Trough linings for fixed conveyors shall not exceed No. 10 U. S. gage in thickness.

(iii) Steel for chutes and spouts shall not exceed 3/16 inch in thickness.

(iv) No steel or rubber liner plates shall be used in steel chutes or steel spouts.

(v) Steel linings for wood chutes or wood spouts shall not exceed No. 10 U. S. gage in thickness.

(vi) No copper bearing sheets or plates shall be used.

(vii) Steel troughing belt carriers and steel return belt idler rolls shall not exceed 6

inches nominal diameter on idlers up to 42 inches; and shall not exceed 6 inches on idlers 42 inches and over; provided that this limitation shall not apply to parts used for repair or replacement purposes.

(c) *Mechanical power transmission equipment.* The materials listed below are restricted or prohibited in the construction of mechanical power transmission equipment as prescribed below; except as the Director General for Operations may waive compliance with any such restriction or prohibition, upon application by the manufacturer or purchaser by letter or other communication, setting forth pertinent facts disclosing the necessity for such waiver.

(1) *Anti-friction bearings.* (i) Anti-friction bearings shall not be used in hangers, pillow blocks, loose pulleys, and clutch pulleys for line shafting except for the following purposes, as certified by the purchaser:

(A) The reduction or elimination of fire hazards resulting from the combustible nature of the material being processed.

(B) Reduction or elimination of waste due to spoilage.

(C) Reduction of starting or running loads where the use of anti-friction bearings will correct an overload pertaining to the primary source of power.

(D) The repair or replacement of bearings for line shafting, provided, however, that no anti-friction bearings shall be used for repair or replacement purposes for line shafting not previously equipped with such bearings.

The above mentioned certification by the purchaser shall be included in or shall accompany the purchase order, shall be signed by a duly authorized official of the purchaser, and shall be in the following form:

"The undersigned hereby certifies that the anti-friction bearings covered by order ------ (here give ---------- order number or other pertinent description) are for the following purposes as permitted by the provisions of Item (c) (1) of List A to Order L-193:

---------- (here fill in the purposes for which the ---------- bearings will be used)

---------- Company

By ----------"

Such certification shall be deemed a representation to the War Production Board as well as to the supplier to whom the order is tendered.

(ii) No alloy steel or alloy iron shall be used in bearing housings.

(2) *Bearings.* No alloy steel or alloy iron shall be used in base, cap or liner castings for sleeve bearings; or in bearing hangers, base plates, floor stands, or wall brackets for line shafting.

(3) *Chains.* (i) No alloy steel or alloy iron shall be used in cast sprocket chains.

(ii) No alloy steel shall be used in semi-finished or finished roller chain, bushed drive chain, or silent chain except in those parts thereof which the manufacturer made of alloy steel prior to January 21, 1943.

(4) No alloy steel or alloy iron shall be used in chain sprocket wheels.

(5) *Shafting appliances.* No alloy steel or alloy iron shall be used in the construction of shafting appliances in rigid couplings, collars, or pulleys and sheaves.

(6) *Gears.* No alloy steel or alloy iron shall be used in cast teeth or molded teeth gears and pinions or in gear housings.

(d) *Rust proofing.* No metallic plating or coating shall be used in the rust proofing of conveyor machinery or mechanical power transmission equipment, except that galvanizing may be used to prevent contamination of food or in the case of anchor bolts set in concrete and subject to corrosive chemical action.

[F. R. Doc. 43-1037; Filed, January 21, 1943; 10:53 a. m.]

PART 3153—MAINTENANCE, REPAIR AND OPERATING SUPPLIES FOR LOGGERS AND PRODUCERS

[Interpretation 1 of Preference Rating Order P-138]

The following official interpretation is hereby issued by the Director General for Operations with respect to § 3153.1, Preference Rating Order P-138:

Paragraph (a) (1) of Preference Rating Order P-138 defines a "logger" as "any person actually engaged in the production of logs of any species." "Production of logs" as used here includes all steps necessary to deliver logs to sawmills, pulp mills or other dealers in or users of logs, but does not include transportation by common carrier. Thus persons building logging roads or contract-hauling logs are "loggers" within the Order, and, as to their activities in that regard, are entitled to the benefits of the Order.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 21st day of January 1943.

ERNEST KANZLER,
Director General for Operations.

[F. R. Doc. 43-1042; Filed, January 21, 1943; 10:54 a. m.]

PART 3169—TEXTILE PRINT ROLLERS

[General Conservation Order M-280]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of copper for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3169.1 *General Conservation Order M-280*—(a) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the priorities regulations of the War Production Board, as amended from time to time.

(b) *Definitions.* For the purposes of this order:

(1) "Textile print rollers" shall mean all rollers containing copper or copper base alloys and designed for use in, or used in, printing of textile fabrics.

(2) "Dealer" shall mean any person engaged in the purchasing of textile print rollers for resale.

(c) *Restrictions on use of excessive rollers.* On or before February 15, 1943, every person engaged in the roller printing of textile fabrics shall set aside a number of textile print rollers containing a total poundage of copper and/or copper base alloys equivalent to the total poundage of copper and copper base alloys contained in the textile print rollers which were in his possession throughout the period beginning September 1, 1941, and ending on January 21, 1943, and were not used by him in the printing of textile fabrics at any time within the period beginning September 1, 1941, and ending September 1, 1942. No person shall use any textile print rollers which have been set aside pursuant to this paragraph in the roller printing of textiles.

(d) *Restrictions on sale of copper rollers.* No person engaged in the printing of textile fabrics shall hereafter sell or dispose of any textile print rollers set aside pursuant to paragraph (c), and no dealer shall hereafter sell or dispose of any textile print rollers owned by him on January 21, 1943, except to a brass mill or to the Metals Reserve Corporation, or its agents or representatives designated by it for the purpose of purchasing or accepting delivery thereof.

(e) *Appeals.* Any appeal from the provisions of this order shall be made by filing a letter in triplicate, referring to the particular provision appealed from and stating fully the grounds of the appeal.

(f) *Communications to the War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall be addressed to: War Production Board, Textile, Clothing and Leather Division, Washington, D. C. Reference M-280.

(g) *Violations.* Any person who wilfully violates any provision of this order or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using material under priority control and may be deprived of priorities assistance.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 21st day of January 1943.

ERNEST KANZLER,
Director General for Operations.

[F. R. Doc. 43-1041; Filed, January 21, 1943; 10:54 a. m.]

Chapter XI—Office of Price Administration

PART 1388—DEFENSE-RENTAL AREAS

[Maximum Rent Regulation 53,[1] Amendment 4]

HOUSING ACCOMMODATIONS OTHER THAN HOTELS AND ROOMING HOUSES

The sixth paragraph of § 1388.287 of Maximum Rent Regulation No. 53 is amended to read as follows:

[1] 7 F.R. 8596, 9724, 9321, 10717, 10345, 11115; 8 F.R. 123.

§ 1388.287 *Registration.* * * *

The provisions of this section shall not apply to housing accommodations in the Cincinnati Defense-Rental Area, except that no payment of rent need be made unless the landlord tenders a receipt for the amount to be paid.

§ 1388.294a *Effective dates of amendments.* * * *

(d) Amendment No. 4 (§ 1388.287) to Maximum Rent Regulation No. 53 shall become effective February 1, 1943.

(Pub. Law 421, 77th Cong.)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1023; Filed, January 20, 1943; 4:51 p. m.]

PART 1388—DEFENSE-RENTAL AREAS

[Maximum Rent Regulation 54A,[1] Amendment 3]

HOTELS AND ROOMING HOUSES

Paragraph (f) of § 1388.337 of Maximum Rent Regulation No. 54A is amended to read as follows:

§ 1388.337 *Registration and records.* * * *

(f) The provisions of paragraph (a) and the second paragraph of paragraph (b) of this section shall not apply to the housing accommodations in the Cincinnati Defense-Rental Area.

§ 1388.344a *Effective dates of amendments.* * * *

(c) Amendment No. 3 (§ 1388.337 (f)) to Maximum Rent Regulation No. 54A shall become effective February 1, 1943.

(Pub. Law 421, 77th Cong.)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1022; Filed, January 20, 1943; 4:51 p. m.]

PART 1394—RATIONING OF FUEL AND FUEL PRODUCTS

[Ration Order 5C,[2] Amendment 14]

MILEAGE RATIONING: GASOLINE REGULATIONS

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

Subparagraph (2) of paragraph (b) of § 1394.8053 is revoked, and subparagraph (3) of paragraph (b) of § 1394.8053 is redesignated subparagraph (2) of paragraph (b) of § 1394.8053; the text of § 1394.8102 is designated paragraph (a) of § 1394.8102; paragraph (e) of § 1394.8004, and paragraph (b) of § 1394.8051, are amended; a new paragraph (c) is added to § 1394.8006, a new paragraph (b) is added to § 1394.8102, a new § 1394.8112 is added, a new subparagraph (3) is added to paragraph (c) of § 1394.8153, a new paragraph (d) is added to § 1394.8207, new paragraphs (d) and (e) are added to § 1394.8215, and a new paragraph (m) is added to § 1394.8352; as set forth below:

General Provisions With Respect to Issuance of Rations and Tire Inspection Records

§ 1394.8004 *Notation on ration books, applications and coupons.* * * *

(e) Each person to whom bulk coupons have heretofore been or are hereafter issued shall, unless his name and address have been written on the coupons pursuant to paragraph (c) of § 1394.8006, clearly write, stamp or print his name and address in ink on the reverse side of each coupon issued to him, before accepting a transfer of gasoline in exchange for such coupon.

§ 1394.8006 *Authorization of bulk purchase.* * * *

(c) At the time of issuance of any 100-gallon bulk coupons (Form OPA R-553A) the person issuing such coupons, or the applicant or his agent in the presence of the person issuing the coupons shall write, stamp or print in ink on the back of each such coupon the name and address of the applicant and the date upon which such ration shall expire: *Provided,* That in any case where the coupons issued to an applicant are too numerous to reasonably require the notations to be made in the presence of the issuing officer, only the expiration date shall be endorsed upon the coupons at the time of issuance.

Renewal of Rations and Issuance of Further Rations

§ 1394.8051 *Renewal of rations* * * *

(b) If there have been no substantial changes since the date of the original application in the applicant's gasoline needs, or in the nature, amount and conditions of use of the motor vehicle for which the original ration was issued, and if such original application accurately calculated the applicant's requirements, application for a renewal thereof (except in the case of a basic, special or Transport ration, or a renewal prior to February 15, 1943 of a Non-highway ration issued in the form of bulk coupons) may be made by executing the renewal certificate on such original application. The applicant shall in such case note on such renewal certificate any changes in the nature or amount of his use since the date of the original application. An applicant may renew a Transport ration by filling in the pertinent information on the face of the form for the period for which the ration is required and executing the renewal certificate: *Provided,* That if the certificate of war necessity, if any, effective at the time of the original ration, has been revoked or modified in any manner the applicant shall execute a new application.

* * * * *

Expiration, Revocation and Redetermination of Rations

§ 1394.8102 *Expiration of rations.* * * *

(b) Notwithstanding the provisions of paragraph (a) of this section, all bulk coupons issued on Form OPA R-553 or Form OPA R-554 (bulk coupons which do not bear the printed word "Gasoline" on their face) shall expire at midnight January 21, 1943.

§ 1394.8112 *Exchange of bulk coupons issued as a part of Form OPA R-553 or Form OPA R-554.* (a) Every consumer who has in his possession or control any bulk coupons issued on Form OPA R-553 or Form OPA R-554 (bulk coupons which do not bear the printed word "Gasoline" on their face) shall surrender such coupons to the Board having jurisdiction to renew or reissue such ration. The Board shall issue to a consumer in exchange for such coupons new bulk coupons printed as part of Form OPA R-553A or Form OPA R-554A expiring upon the same date as the coupons surrendered and having a gallonage value to be determined as follows:

(1) In exchange for bulk coupons which were issued as a Transport ration the Board shall issue coupons equal in gallonage value to the coupons so surrendered.

(2) In exchange for bulk coupons issued as a Basic, Supplemental, Official, or Fleet ration, or a Temporary Transport ration, or a ration pursuant to the provisions of § 1394.1309 of Ration Order No. 5A or § 1394.7757 or § 1394.7758 of Ration Order No. 5C, the Board may, if the ration has recently been reviewed, issue coupons equal in gallonage value to the coupons so surrendered, but otherwise the Board shall review the application on the basis of which such ration was issued, and issue coupons having a gallonage value sufficient only to provide for the established mileage or gallonage needs of the consumer until the expiration date of the ration issued.

(3) In exchange for bulk coupons issued as Non-highway rations the Board shall review the application on the basis of which such ration was issued, and issue coupons having a gallonage value sufficient only to provide for the minimum necessary requirements of the consumer until the expiration date of the ration issued.

Restrictions on Transfers

§ 1394.8153 *Transfers to consumers in exchange for coupons.* * * *

(c) * * *

(3) On and after January 22, 1943, transfer may be made only in exchange for bulk coupons which bear the word "Gasoline" imprinted thereon and which are issued on Form OPA R-553A or Form OPA R-554A. No dealer may transfer gasoline in exchange for 100-gallon bulk coupons, and no dealer shall have any such coupons in his possession (except coupons issued to him by a Board, as a ration), unless such dealer regularly engages in bulk sales of gasoline in units of one hundred (100) or more gallons.

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*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 8602, 9783, 9820, 10717, 11115 8 F.R. 124.

[2] 7 F.R. 9135, 9737, 10147, 10016, 10110, 10338, 10706, 10786, 10787, 11009, 11079, 8 F.R. 179, 274, 369, 372, 607, 565.

Restrictions on Transfers Between Dealers and Distributors

§ 1394.8207 *Restriction on transfers.* * * *

(d) On and after January 27, 1943, no dealer or distributor shall transfer or offer to transfer gasoline to any other dealer or distributor in exchange for any bulk coupon or deposit any bulk coupon for credit in a Ration Bank account unless such bulk coupon bears the word "Gasoline" imprinted thereon and was issued on Form OPA R–553A or Form OPA R–554A.

§ 1394.8215 *Transfer and surrender of expired coupons.* * * *

(d) On and after January 27, 1943, but not later than January 30, 1943, each dealer who has in his possession or control bulk coupons issued on Form OPA R–553 or Form OPA R–554 (bulk coupons which do not bear the printed word "Gasoline" on their face) shall surrender such coupons to the Board having jurisdiction over the area in which his place of business is located. The Board shall issue to such dealer in exchange for such coupons inventory coupons equal in gallonage value to the coupons so surrendered.

(e) On and after January 27, 1943, but not later than February 5, 1943, each distributor who has in his possession or control bulk coupons issued on Form OPA R–553 or Form OPA R–554 (bulk coupons which do not bear the printed word "Gasoline" on their face) shall surrender such coupons to the Board having jurisdiction over the area in which his place of business is located. The Board shall issue to such distributor in exchange for such coupons one or more exchange certificates in accordance with the provisions of § 1394.8214.

Effective Dates

§ 1394.8352 *Effective dates of amendments.* * * *

(n) Amendment No. 14 (§§ 1394.8004 (e), 1394.8006 (c), 1394.8051 (b), 1394.8053 (b) (2), 1394.8102 (a), 1394.8102 (b), 1394.8112, 1394.8153 (c), 1394.8207 (d), 1394.8215 (d), and 1394.8215 (e)) to Ration Order No. 5C shall become effective January 20, 1943.

(Pub. Law 671, 76th Cong., as amended by Pub. Laws 89, 421 and 507, 77th Cong.; W.P.B. Dir. No. 1, Supp. Dir. No. 1Q, 7 F.R. 562, 9121; E.O. 9125, 7 F.R. 2719)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43–1013; Filed, January 20, 1943; 4:44 p. m.]

PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Ration Order 3,[1] Amendment 36]

SUGAR RATIONING REGULATIONS

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

Paragraph (a) of § 1407.265 is amended and a new §1407.265a is added as set forth below:

Sugar Ration Bank Accounts

§ 1407.265 *Persons required or authorized to open Sugar Ration Bank Accounts.* (a) Every registering unit registered with a Listed Board and having a component establishment or establishments within the introductory area shall open one or more sugar ration bank accounts to serve all such establishments: *Provided,* That a registering unit which is composed of industrial or institutional establishments, or both, may not open an account and shall, on or before January 26, 1943, close any account already opened; and a registering unit which is composed of only one retail establishment whose gross sales of all meats, groceries, fruits, vegetables and similar products totalled less than $5,000 during December, 1942, is not required to open an account and may close an account already opened. A registering unit (other than an industrial or institutional user) may open one or more accounts to serve such of its component establishments within the introductory area as it selects if it is not registered with a Listed Board.

* * * * *

§ 1407.265a *How accounts are closed.* (a) The account of a registering unit which has a balance in its account shall be closed in the following manner: the registering unit shall issue to a Listed Board a voucher payable to the Board in an amount equal to the balance on hand in the account to be closed, less the total amount of all vouchers outstanding. The Board shall, in exchange for the voucher issued to it, give the person who issued the voucher a sugar purchase certificate in an amount equal to the face amount of the voucher. The Board shall then write the word "closing" on the reverse side of the voucher, shall endorse it and shall send it to the drawee Bank. After issuing such a voucher to a Board, a depositor may neither make a deposit in, nor draw a voucher on, the discontinued account, and must return to the Bank all of his unused vouchers. The drawee Bank will debit the voucher received from the Board to the account on which it is drawn and will close the account if no balance remains after the voucher has been debited. If a balance remains, the Bank will debit to such account only vouchers which bear the same date as, or an earlier date than, the voucher received from the Board, and will close the account whenever no balance remains. If a balance remains in the account twenty (20) days after the Bank has received the voucher from the Board, the Bank shall close the account and notify the depositor, in writing, of the unused credit. The depositor may secure a Certificate in the amount of the unused credit from a Listed Board in exchange for the written notification from the Bank. The Board shall return the notification to the Bank which wrote it.

(b) A registering unit which is authorized or required under the provisions of paragraph (a) of § 1407.265 to close an account, and which has no balance on deposit in the account, may close it by returning all unused vouchers to the Bank and requesting the Bank, in writing, to close the account.

Effective Date

§ 1407.222 *Effective dates of amendments.* * * *

(kk) Amendment No. 36 (§§ 1407.265 (a) and 1407.265a) shall become effective January 20, 1943.

(Pub. Law 421, 77th Cong., W.P.B. Dir. No. 1 and Supp. Dir. No. 1E)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43–1012; Filed, January 20, 1943; 4:44 p. m.]

PART 1426—WOOD PRESERVATION AND PRIMARY FOREST PRODUCTS

[Revised MPR 218,[1] Amendment 2]

EASTERN WOODEN MINE MATERIALS AND INDUSTRIAL BLOCKING

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

Sections 1426.53 (c) and 1426.57 are amended to read as set forth below:

§ 1426.53 *Maximum prices.* * * *

(c) Short mine material (mixed oak and hardwoods 3' and under):

	Per M'BM
Cribbing blocks, all sizes up to and including 6" x 7"	$32.00
Post caps, all sizes up to and including 6" x 7"	32.00
	Each
Wedges—¼" x 1" x 5"—12"	$0.018
¼" x 1" x 5"—12"	.018
¼" x 1¼" x 5"—12"	.021
¼" x 2" x 5"—12"	.023
¼" x 3" x 5"—18"	.041

* * * * *

§ 1426.57 *Grades, specifications, and extras not specifically priced.* All grades and specifications of ties, switch ties, cross bars, cribbing blocks, post caps, wedges, car lumber, or pit posts, used in mines, or of industrial blocking are subject to this regulation, whether they are specifically priced or not.

The maximum price for grades, specifications, and extras not specifically priced is a price which bears the October 1941 relation to the price of the appropriate "yardstick" grade. The yardstick for mine materials, except pit posts and wedges, is 3" x 5" mine tie, for industrial blocking is 4" x 4" industrial blocking, for pit posts is an 8' round post, 5" top diameter, and for wedges is a ¼" x 1" x 5"—12" wedge. The seller should find the difference between the price received for the grade being priced and the yardstick grade in October 1941, or the first month before that in which he had sales of both grades. This difference is then added to or subtracted from the maximum

[1] 7 F.R. 2986, 3242, 3783, 4545, 4618, 5193, 5361, 6084, 6473, 6828, 6937, 7289, 7321, 7406, 7510, 7557, 8402, 8655, 8710, 8739, 8809, 8830, 8831, 9042, 9396, 9460, 9899, 10017, 10258, 10556, 10345; 8 F.R. 166, 262, 445, 620.

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 9324; 8 F.R. 433.

price for the yardstick grade. The result is the seller's maximum price. This price, with a complete description of the grade and the way the price was computed, must be reported to the Office of Price Administration, Washington, D. C. The price may be ordered reduced, if it is found excessive. But if the price is not disapproved within 30 days of the receipt of the report, it is approved. If the seller cannot figure a maximum price under this paragraph, or if he wants to make an addition for a working, specification, service, or other extra which is not specifically provided for, he should write to the Lumber Branch of the Office of Price Administration, Washington, D. C., giving a complete description of the thing to be priced, and his requested price, and any facts supporting the request. The Office of Price Administration will then by letter give him either a specific maximum price or instructions on how to compute it.

A seller using this pricing paragraph can go ahead with delivery of the material and collection of the price he has computed or requested. But he must tell the buyer that the price is subject to revision within the thirty-day period, and, if the price is ordered reduced, must refund any excess over the final approved price.

§ 1426.63 *Effective dates of amendments.* * * *

(b) Amendment No. 2 (§§ 1426.53 (c), 1426.57, and 1426.63) to Revised Maximum Price Regulation 218 shall become effective January 26, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1014; Filed, January 20, 1943; 4:48 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Amendment 91 to Supp. Reg. 14[1] to GMPR[2]]

CONVERSION OF STORAGE RATES

A statement of considerations involved in the issuance of this amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.*

A new subparagraph (57) is added to paragraph (a) of § 1499.73 as set forth below:

§ 1499.73 *Modification of maximum prices established by § 1499.2 of General Maximum Price Regulation for certain commodities, services, and transactions.* (a) The maximum prices established by § 1499.2 of the General Maximum Price Regulation for certain commodities, services, and transactions listed below are modified as hereinafter provided:

(57) *Conversion of storage rates from net weight to gross weight basis.* Any person engaged in the storage of a packaged commodity for which his maximum price under the General Maximum Price Regulation is stated in terms of the net weight of the package who is requested by Agricultural Marketing Administration or Federal Surplus Commodities Corporation to state his rates, in connection with storage bids, in terms of the gross weight of the package may convert his prices for storage and handling of such commodity to a gross weight basis by reducing his maximum price based on net weight by 10%, adjusted to the nearest quarter cent per 100 lbs., and applying such reduced price to the gross weight of the package.

(b) *Effective dates.* * * *

(92) Amendment No. 91 (§ 1499.73 (a) (57)) to Supplementary Regulation No. 14 shall become effective January 20, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1006; Filed, January 20, 1943; 4:41 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Amendment 92 to Supp. Reg. 14[1] to GMPR[2]]

PYRETHRUM FLOWERS

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and filed with the Division of the Federal Register.*

A new subparagraph (58) is added to paragraph (a) of § 1499.73 as set forth below:

§ 1499.73 *Modification of maximum prices established by § 1499.2 of General Maximum Price Regulation for certain commodities, services and transactions.* (a) The maximum prices established by § 1499.2 of the General Maximum Price Regulation for the commodities, services, and transactions listed below are modified as hereinafter provided:

* * * * *

(58) *Pyrethrum flowers*—(i) *Maximum price for sale of imported pyrethrum flowers under War Production Board directive.* The maximum price for the sale by an importer of imported pyrethrum flowers, sold to any purchaser in accordance with an order or directive of the Director of Industry Operations of the War Production Board, shall be the total landed costs of the pyrethrum flowers to the importer, plus any actual transportation costs incurred by the importer with respect to shipment of the pyrethrum flowers within the continental United States. This maximum price shall apply whether or not the seller normally sells pyrethrum flowers in the ordinary course of his business, but shall not apply to any sale which is not made in accordance with an order or directive of the Director of Industry Operations of the War Production Board.

(ii) *Effect on other regulations.* The provisions of this subparagraph (58) supersede the provisions of Revised Supplementary Regulation No. 12[3] and of Maximum Price Regulation No. 204[4] with respect to sales for which maximum prices are established by this subparagraph.

(iii) *Definitions.* For the purpose of this subparagraph (58):

(*a*) "Total landed costs" means the sum of the price paid to or for the account of the foreign seller, plus all the costs, expenses and charges, including customs duties or entry fees, and dock charges, if any, incurred by the importer with respect to the shipment of the pyrethrum flowers from the point of shipment outside the continental United States to the point in the continental United States where delivery is made.

(*b*) "Importer" means any person who is the ultimate consignee in the United States of pyrethrum flowers entering into the continental United States.

(b) *Effective dates.* * * *

(93) Amendment No. 92 (§ 1499.73 (a) (58)) to Supplementary Regulation No. 14 shall become effective January 26, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1007; Filed, January 20, 1943; 4:40 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Amendment 2 to Order 131 Under § 1499.3 (b) of GMPR]

WM. P. POYTHRESS AND CO., INC.

For the reasons set forth in an opinion issued simultaneously herewith, paragraph (e) of § 1499.94 of Order No. 131 is amended and a new paragraph (k) is added to § 1499.994 to read as set forth below:

§ 1499.994 *Approval of maximum prices for sales of Merpectogel with applicator or Merpectogel without applicator.* * * *

(e) *Notification of maximum prices*—(1) *By Wm. P. Poythress & Company, Inc., to wholesale drug houses.* Wm. P. Poythress & Company, Inc., shall supply a written notification to each wholesale drug house before or at the time of its first delivery of Merpectogel with applicator or Merpectogel without applicator to such wholesale drug house. The written statement shall read as follows:

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*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 5486, 5709, 6008, 6271, 6369, 6477, 6473, 6774, 6775, 6793, 6887, 6892, 6776, 6939, 7011, 7012, 6965, 7250, 7289, 7203, 7365, 7401, 7453, 7400, 7510, 7536, 7604, 7538, 7511, 7536, 7535, 7739, 7671, 7812, 7914, 7946, 8237, 8024, 8199, 8351, 8358, 8524, 8652, 8707, 8881, 8899, 9082, 8950, 9131, 8953, 8954, 8955, 8959, 9043, 9196, 9397, 8899, 9391, 9395, 9495, 9496, 9639, 9786, 9900, 9901, 10069, 10111, 10022, 10151, 10231, 10294, 10346, 10381, 10480, 10537, 10557, 10583, 10705, 10865, 11005; 8 F.R. 276, 439, 535, 494.

[2] 7 F.R. 3153, 3330, 3666, 3990, 3991, 4339, 4487, 4659, 4738, 5027, 5276, 5192, 5265, 5445, 5775, 5784, 5783, 6058, 6081, 5484, 5565, 6007, 6216, 6615, 6794, 6939, 7093, 7322, 7454, 7758, 7913, 8431, 8881, 9004, 8942, 9435, 9615, 9616, 9732, 10155, 10454. 8 F.R. 371.

[3] 7 F.R. 10532.

[4] 7 F.R. 6479, 7366, 8948.

OPA has authorized us to charge wholesale drug houses 84 cents for Merpectogel with applicator and 67 cents for Merpectogel without applicator, subject to all customary discounts and allowances.

Wholesale drug houses are authorized to establish maximum prices of $1.00 for Merpectogel with applicator and 80 cents for Merpectogel without applicator, subject to all customary discounts and allowances.

(2) *By Wm. P. Poythress & Company, Inc., to retail drug establishments via wholesale drug houses.* Wm. P. Poythress & Company, Inc., shall include a written notification with each shipping unit of Merpectogel with applicator or Merpectogel without applicator for a period of three months. If such notification is enclosed in a shipping unit, a legend shall be affixed outside of such unit to read "Retailer's Notice Enclosed." If the initial sale by a wholesale drug house to a retail drug establishment is a split-case sale, the wholesale drug house is required to provide such retail drug establishment with a copy of this notice. The written notification shall read as follows:

OPA has authorized wholesale drug houses to charge $1.00 for Merpectogel with applicator and 80 cents for Merpectogel without applicator, subject to all customary discounts and allowances.

Retail drug establishments are authorized to establish ceiling prices of $1.50 for Merpectogel with applicator and $1.20 for Merpectogel without applicator, except for sales on prescription.

Maximum prices for sales on prescription must be determined under section 3 (a) of the General Maximum Price Regulation, except that no report of the maximum price need be filed.

If the initial sale by a wholesale drug house to a retail drug establishment is a split-case sale, the wholesale drug house is required to provide such retail drug establishment with a copy of this notice.

OPA requires that you keep this notice for examination.

(3) *By Wm. P. Poythress & Company, Inc. to direct-buying retail drug establishments.* Wm. P. Poythress & Company, Inc., shall supply a written notification to each retail drug establishment before or at the time of its first delivery of Merpectogel with applicator or Merpectogel without applicator to such retail drug establishment. The written statement shall read as follows:

OPA has authorized us to charge retail drug establishments $1.00 for Merpectogel with applicator and 80 cents for Merpectogel without applicator, subject to all customary discounts and allowances.

Your ceiling prices are authorized to be $1.50 for Merpectogel with applicator and $1.20 for Merpectogel without applicator, except for sales on prescription.

Maximum prices for sales on prescription must be determined under section 3 (a) of the General Maximum Price Regulation, except that no report of the maximum price need be filed.

OPA requires that you keep this notice for examination.

* * * * *

(k) Amendment No. 2 (§ 1499.994 (e) and (k)) to Order No. 131 under § 1499.3 (b) of the General Maximum Price Regulation shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1008; Filed, January 20, 1943; 4:41 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 226 Under § 1499.3 (b) of GMPR]

WILLSON PRODUCTS, INC.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is ordered:*

§ 1499.1462 *Approval of maximum prices for sales by Willson Products, Inc., of a new industrial gas mask and canister.* (a) Willson Products, Inc., Reading, Pennsylvania, may sell and deliver its Universal "Firefighter" (Type N) industrial gas mask unit and canister at prices, f. o. b. factory, no higher than those set forth below:

No. WUG-N2 Gas Mask unit, including head harness, facepiece, breathing tube, inhalation meter, two canisters, canister harness, and carrying case	$37.50
No. G730 Canister for above Gas Mask unit	4.80

(b) This Order No. 226 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 226 (§ 1499.1462) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1018; Filed, January 20, 1943; 4:48 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 227 Under § 1499.3 (b) of GMPR]

J. B. FORD CO.

Maximum Prices Authorized under § 1499.3 (b) of the General Maximum Price Regulation—Order No. 227.

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered:*

§ 1499.1463 *Approval of maximum prices for sales of specialized cleaning compounds and comparable products manufactured by The J. B. Ford Company*—(a) *Sales by The J. B. Ford Company to The J. B. Ford Sales Company.* The maximum price for sales by The J. B. Ford Company, Wyandotte, Michigan, to The J. B. Ford Sales Company, Wyandotte, Michigan, of a specialized cleaning compound or other comparable product manufactured by The J. B. Ford Company for which a maximum price cannot be established under § 1499.2 of the General Maximum Price Regulation, shall be the price determined by applying the same pricing formula or method of calculating prices used by The J. B. Ford Company on March 31, 1942. In applying such pricing formula or method of calculating prices, The J. B. Ford Company shall use the same unit cost factors (i. e. the same charges for materials, labor, factory overhead, depreciation, shipping, and general office expenses) which that company would have used on March 31, 1942.

(b) *Reports.* Within ten days after the end of each month, beginning with March 10, 1943, The J. B. Ford Company shall submit to the Office of Price Administration in Washington, D. C., an individual report for each product priced under this Order No. 227 during the preceding month. Each such report shall include a description of the product so priced; a statement showing why the product cannot be priced under § 1499.2 of the General Maximum Price Regulation; the maximum price determined; and a detailed statement of the calculation of the maximum price. Each price so reported shall be subject to adjustment at any time by the Office of Price Administration.

(c) *Sales by The J. B. Ford Sales Company.* The maximum price for sales by The J. B. Ford Sales Company of a specialized cleaning compound or other comparable product manufactured by The J. B. Ford Company for which a maximum price cannot be established under § 1499.2 of the General Maximum Price Regulation, shall be the price determined in accordance with the provisions of § 1499.3 (a) of the General Maximum Price Regulation. Reports of such prices shall be made as required by § 1499.3 (a), except that such reports may be sent to the Office of Price Administration in Washington, D. C., with the reports required from The J. B. Ford Company, instead of to the appropriate field office. Prices so reported shall be subject to adjustment at any time by the Office of Price Administration.

(d) This Order No. 227 may be revoked or amended by the Price Administrator at any time.

(e) This Order No. 227 (§ 1499.1463) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1010; Filed, January 20, 1943; 4:41 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 228 Under § 1499.3 (b) of GMPR]

CONTINENTAL FOODS, INC.

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered:*

§ 1499.1464 *Authorization of maximum prices for sales of three listed dehydrated soup mixes by Continental Foods, Inc., 1500 Hudson Street, Hoboken, New Jersey, by wholesalers and by retailers:*

(a) On and after January 21, 1943, the maximum prices for sales by Continental Foods, Inc., 1500 Hudson Street, Hoboken, New Jersey, of the following dehydrated soup mixes shall be:

Cases 48–1½ oz. "Lipton's" Alphabet Soup Mix (Consomme Style)	$3.30
Cases 48–4 oz. "Lipton's" Pea Soup Mix	3.35
Cases 48–2¼ oz. "Lipton's" Chicken Noodle Soup Mix	3.45

These prices shall include prepaid freight to purchasers' stations.

(b) Wholesalers shall determine their maximum delivered selling prices of the listed "Lipton's" dehydrated soup mixes by adding to their net cost of each item a mark-up of 20% of such net cost. The maximum delivered prices so determined shall not exceed the following:

Cases 48–1½ oz. "Lipton's" Alphabet Soup Mix (Consomme Style)	$3.96
Cases 48–4 oz. "Lipton's" Pea Soup Mix	4.02
Cases 48–2¼ oz. "Lipton's" Chicken Noodle Soup Mix	4.14

Where a maximum price per case determined by the provisions of this paragraph is a fractional cent price and the fraction of a cent is less than one-half cent, the price per case shall be lowered to the next lower cent. If the fraction is one-half cent or larger, the wholesaler may increase his maximum price per case to the next higher cent.

Net cost for a wholesaler as mentioned in this paragraph shall be his invoice price for the first delivery of a listed "Lipton's" dehydrated soup mix delivered in a customary quantity for this type of item by the customary mode of transportation to his customary receiving point, less all discounts allowed him, except a discount for prompt payment. No charge or cost for unloading or local trucking shall be included in net cost.

(c) Sellers at retail shall determine their maximum selling prices of the listed "Lipton's" dehydrated soup mixes by adding to their net cost of each item a markup of 33⅓% of such net cost. The maximum prices so determined shall not exceed the following:

	Cents per pkg.
1½ oz. "Lipton's" Alphabet Soup Mix (consomme style)	11
4 oz. "Lipton's" Pea Soup Mix	11
2¼ oz. "Lipton's" Chicken Noodle Soup Mix	12

Where a maximum price per package determined by the provisions of this paragraph is a fractional cent price and the fraction of a cent is less than one-half cent, the price per package shall be lowered to the next lower cent. If the fraction is one-half cent or larger, the retailer may increase his maximum price per package to the next higher cent.

Net cost for a retailer as mentioned in this paragraph shall be his invoice price for the first delivery of a listed "Lipton's" dehydrated soup mix delivered to his customary receiving point in a customary quantity of this type of item by a customary mode of transportation and from a customary source of supply, less all discounts allowed him, except a discount for prompt payment. No charge or cost for unloading or local trucking shall ever be included.

(d) No seller, except a seller at retail, shall change his customary discounts, allowances and price differentials applying to comparable items of dehydrated soups in making sales of the listed "Lipton's" dehydrated soup mixes, unless such change in these customary discounts, allowances and price differentials results in lower selling prices.

(e) On and after January 21, 1943, Continental Foods, Inc., shall supply written notification to each wholesaler before or at the time of first delivery of each listed "Lipton's" dehydrated soup mix to such wholesaler, and for a period of three months thereafter shall include with each shipping unit of a listed "Lipton's" dehydrated soup mix a written notification to retailers. If such retailer notification is enclosed in a shipping unit, a legend shall be affixed outside of such unit to read "Retailer's Notice Enclosed". The written notifications, for each type of purchaser may be prepared separately for each of the listed items or may refer to all the listed items, and shall include the following appropriate statements:

Notification From Continental Foods, Inc., to Wholesalers

The OPA has authorized us to charge wholesalers the following prices per case of 48 packages of the following listed "Lipton's" dehydrated soup mixes subject to all customary allowances and discounts:

1½ oz. "Lipton's" Alphabet Soup Mix (Consomme Style)	$3.30
4 oz. "Lipton's" Pea Soup Mix	3.35
2¼ oz. "Lipton's" Chicken Noodle Soup Mix	3.45

Wholesalers are authorized to establish a ceiling price for each item by adding to the net cost of the item 20% of such net cost, *Provided that* the ceiling prices so determined shall not exceed the following prices per case of 48 packages:

1½ oz. "Lipton's" Alphabet Soup Mix (Consomme Style)	$3.96
4 oz. "Lipton's" Pea Soup Mix	4.02
2¼ oz. "Lipton's" Chicken Noodle Soup Mix	4.14

Net cost is the invoice cost of the first delivery of a customary supply at the customary receiving point, less all discounts, other than for prompt payment, and excluding charges for local hauling. Retailers shall establish a ceiling price by adding to their net cost 33⅓% of such net cost. Each individual ceiling price determined by any seller shall be figured to the nearest cent (raise one-half cent fractions to the next even cent). A copy of a notification to retailers is included in every shipping unit of these items. If the initial sale of one of these items to any retailer is a split case sale, wholesalers are required to provide each retailer with a copy of the retail notification so enclosed. OPA requires that you keep this notice for examination.

Notification From Continental Foods, Inc. to Retailers

The OPA authorizes retailers to establish ceiling prices for the following listed "Lipton's" dehydrated soup mixes by adding to the net cost of each item 33⅓% of such net cost, provided that the ceiling prices so determined shall not exceed the following package:

	Prices per package
1½ oz. "Lipton's" Alphabet Soup Mix (Consomme Style)	.11
4 oz. "Lipton's" Pea Soup Mix	.11
2¼ oz. "Lipton's" Chicken Noodle Soup Mix	12

Net cost is the invoice cost of the first delivery of a customary supply at the customary receiving point, less all discounts, other than for prompt payment, and excluding charges for local hauling. Such ceiling prices shall be figured to the nearest cent (raise one-half cent fractions to the next even cent). OPA requires that you keep this notice for examination.

(f) This Order No. 228 may be revoked or amended by the Price Administrator at any time.

(g) This Order No. 228 (§ 1499.1464) shall become effective as of January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1011; Filed, January 20, 1943; 4:41 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 229 Under § 1499.3 (b) of GMPR]

AUTHORIZATION TO MANUFACTURERS OF CERTAIN PLASTICS PARTS

Maximum Prices Authorized under § 1499.3 (b) of the General Maximum Price Regulation—Order No. 229.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register,* and pursuant to and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250 and § 1499.3 (b) of the General Maximum Price Regulation, *It is hereby ordered:*

§ 1499.1465 *Authorization to manufacturers of certain plastic parts*—(a) *In general.* Specific authorization is hereby given to any manufacturer of any plastics parts as defined in paragraph (d), for which the maximum price cannot be established under § 1499.2 of the General Maximum Price Regulation, to determine the maximum price to any purchaser for any such plastics part in accordance with the following subparagraphs:

(1) The manufacturer shall use the price-determining method which was in use on March 31, 1942, applying the overhead rate, machine hour rates, if any, or other bases of computation which were in use on that date. If the manufacturer had no price-determining method in use on March 31, 1942, he shall use a price-determining method established in accordance with paragraph (b).

(2) (i) To the extent that the price-determining method in effect on March 31, 1942, or established pursuant to para-

*Copies may be obtained from the Office of Price Administration.

graph (b) includes or is based on direct labor costs, the manufacturer shall use labor rates in effect on March 31, 1942 in the manufacturer's plant for each classification of labor. If the manufacturer did not employ a particular classification of labor in his plant on March 31, 1942, he shall apply the rate prevailing on that date for each such classification in the locality in which the manufacturing is to be performed. If labor of such classification was not employed on March 31, 1942, in such locality, the manufacturer shall apply the rate prevailing on that date for the nearest skill in the nearest comparable locality, as accurately as he is able to determine the same by reasonably diligent inquiry.

(ii) The cost of the amount of overtime (estimated and/or averaged, if necessary) required to be used in excess of that provided for in the overhead or machine-hour rate may be added to the cost of labor: *Provided,* That in no event shall any markup, overhead or profit be applied to that part of the labor cost which is in excess of the straight-time cost. For example: Assume that a manufacturer's price determining method provides for the recovery of overhead costs by the application of an overhead rate of 80% to direct labor costs and that such overhead rate makes no provision for overtime labor. Assume further that the manufacturer's plant is operating on a schedule such that one-fifth of the hours worked are overtime hours for which "time-and-a-half" rates are paid. One thousand clock hours are estimated to be required to complete a given order at the straight time rate of $1 an hour. As one-fifth of the hours worked will be overtime, one-half of the straight-time rate for 200 hours, or $100, may be added to the price. However, the direct labor cost to be used for the application of the 80% overhead rate and for the calculation of profit will be the straight-time cost for 1000 hours, that is $1000. No overhead rate or profit factor may be applied to the $100 overtime cost.

(3) To the extent that the price-determining method in effect on March 31, 1942 or established pursuant to paragraph (b) includes or is based on prices paid for materials, subcontracted molding, fabricating or processing services, or perishable tools, dies, molds, pattern or workholding devices, the manufacturer shall use actual prices paid not in excess of the applicable maximum price as established by this order or by any other order or maximum price regulation issued by the Office of Price Administration.

The term "material", includes raw materials and materials or products which have been processed or fabricated to any degree, including parts and subassemblies.

(4) To the extent that the price-determining method in effect on March 31, 1942 or established pursuant to paragraph (b) includes freight rates paid, the manufacturer shall use freight rates in effect on March 31, 1942 for outbound shipments for the mode of transportation actually used and for inbound shipments for the mode of transportation actually used and from the actual point of origin.

(5) The manufacturer shall apply all applicable discounts or other allowances in use on March 31, 1942, and may apply all applicable extra charges in use on that date.

(b) *Establishment of price-determining method where none was in use on March 31, 1942.* Every manufacturer of plastics parts who had no price-determining method for plastics parts in use on March 31, 1942, shall establish a price-determining method which is reasonable in the light of the operations being or to be performed. Immediately upon the determination of such a price-determining method the manufacturer shall file a report with the Office of Price Administration, Washington, D. C., containing (i) a detailed description of the proposed price-determining method, and (ii) a representative sample of prices determined in accordance with the proposed pricing method showing in detail how they were computed. Prices determined in accordance with the method so filed may be quoted and charged until and unless the method is disapproved by the Office of Price Administration. If the Office of Price Administration disapproves the method within thirty days after receipt of the report, a revised method shall be filed in accordance with this paragraph. In such disapproval, the Office of Price Administration may by order require that refunds be made on all sales executed at the prices determined in accordance with the disapproved method.

(c) *Report of price determining method in use on March 31, 1942.* Within thirty days after the effective date of this order every manufacturer of plastics parts as defined in paragraph (d) having a price-determining method in use on March 31, 1942 shall file a detailed description of such method with the Office of Price Administration, Washington, D. C.

(d) *Recomputation of maximum prices under price-determining formula: report of higher price.* To the extent that the application of the price-determining method as provided for in paragraph (a) or (b) involves an estimate of the clock hours of each classification of labor or of the quantities of materials required for the order, the manufacturer shall make such estimate on the basis of previous production experience. This means that the maximum price applicable to a particular sale of an item may, because of previous production experience, be higher or lower than the maximum price applicable to a prior sale of the same item. If the sales price of any plastics part, for which the maximum price is computed under the provisions of this order, is at any time increased above the price charged on the previous sale, the manufacturer shall file a report with the Office of Price Administration, Washington, D. C., within ten days after entering into a contract of sale, containing the following information: (1) a description of the plastics part and its intended use; (2) the price on the last sale prior to the price increase, the date of such sale, and the name of the purchaser; (3) the number of units of the same plastics part previously produced; (4) the new price and the date of quoting or entering into a contract for the new price; and (5) an explanation of the reasons for the increase, including a comparison of the cost estimates on the previous sale with the production experience on which the new price is based.

(e) *Definition.* As used in this Order No. 229, "Plastics parts" mean all plastics products produced by molding, extruding, laminating, casting, machining, grinding, forming, and other fabricating methods, and subassemblies consisting of assembled plastics parts, and not including the following: plastics sheets, rods, and tubes (prior to fabrication); extruded shapes (continuous length prior to fabrication); vulcanized fiber sheets, rods and tubes (prior to fabrication); preforms, powders, granules, liquids, and scrap material; ethyl cellulose, regenerated cellulose, and cellulose acetate, under .002" thickness; fabricated pieces for use in window envelopes under .010" thickness; impregnated and coated fabrics, paper, leather; plastic-plywood; cellophane products (regenerated cellulose); synthetic fibers; synthetic rubber (compositions containing Neoprene, Buna S, Buna N, Thiokol, or Butyl synthetic rubber types); electrical transcription and direct cutting records; motion picture, photographic and X-ray film; protective or decorative coatings; safety glass; completed consumer articles; or any plastics parts for which a maximum price is established by any other order or maximum price regulation issued by the Office of Price Administration.

(f) This Order No. 229 may be revoked or amended by the Office of Price Administration at any time.

(g) This Order No. 229 (§ 1499.1465) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMEL,
Acting Administrator.

[F. R. Doc. 43-1019; Filed, January 20, 1943; 4:46 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 13 Under § 1499.3 (c) of GMPR]

CORY GLASS COFFEE BREWER CO.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is ordered:*

§ 1499.813 *Maximum prices for sales by jobbers and retailers of Model DNG 2-4 cup Glass Coffee Maker manufactured by Cory Glass Coffee Brewer Co., Chicago, Illinois.* (a) On and after January 21, 1943, jobbers may sell and deliver Model DNG 2-4 cup Glass Coffee Maker manufactured by the Cory Glass Coffee Brewer Co., Chicago, Illinois, to retailers at a price no higher than $2.53⅓ each for lots of one to six and at a price no higher than $2.28 each for lots of six or more.

(b) On and after January 21, 1943, retailers may sell and deliver Model DNG 2-4 cup Glass Coffee Maker, manufacfactured by the Cory Glass Coffee Brewer

Co., Chicago, Illinois, to consumers at a price no higher than $3.80 each.

(c) This Order No. 13 may be revoked or amended by the Price Administrator at any time.

(d) This Order No. 13 (§ 1499.813) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. No. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1005; Filed, January 20, 1943; 4:42 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 167 Under § 1499.18 (b) of GMPR]

M'KESSON AND ROBBINS, INC.

Order No. 167 under § 1499.18 (b) of the General Maximum Price Regulation—Docket No. GF3-2924.

McKesson & Robbins, Inc., Potts Drug Division, Wichita, Kansas.

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered:*

§ 1499.1068 *Adjustment of maximum prices for sales of Globe Anti-Swine Erysipelas Serum by McKesson and Robbins, Incorporated, Potts Drug Division, Wichita, Kansas.* (a) The maximum prices for sales of Globe Anti-Swine Erysipelas Serum by McKesson and Robbins, Incorporated, Potts Drug Division, Wichita, Kansas, shall be as follows:

Size:	*Maximum price per package*
50 cc	$0.87
100 cc	1.56
250 cc	3.17

(b) All discounts, allowances and trade practices in effect with respect to sales of Globe Anti-Swine Erysipelas Serum by McKesson and Robbins, Incorporated, Potts Drug Division, Wichita, Kansas, during March 1942 shall remain in effect under this Order No. 167.

(c) At the time of the first delivery of Globe Anti-Swine Erysipelas Serum made to each purchaser at a price determined under this Order No. 167, McKesson and Robbins, Incorporated, Potts Drug Division, Wichita, Kansas, shall furnish each such purchaser with the following notice:

The Office of Price Administration has permitted us to raise our maximum price to you of Globe Anti-Swine Erysipelas Serum from $0.73 to $0.87 per 50 cc package, from $1.33 to $1.65 per 100 cc package and from $2.67 to $3.17 per 250 cc package. This increase represents only that part of cost increases which we were unable to absorb, and it was granted with the understanding that other price increases would not be caused thereby. The Office of Price Administration has not permitted you or any other purchaser of this product from us to raise any maximum price by reason of our increased price to you.

(d) This Order No. 167 may be revoked or amended by the Price Administrator at any time.

(e) This Order No. 167 (§ 1499.1068) is hereby incorporated as a section of Supplementary Regulation No. 14, which contains modifications of maximum prices established by § 1499.2.

(f) This Order No. 167 (§ 1499.1068) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong. E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1009; Filed, January 20, 1943; 4:40 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 168 Under § 1499.18 (b) of GMPR]

HENRY CANTOR AND WESTERN ELECTRIC CO.

Order No. 168 Under § 1499.18 (b) of the General Maximum Price Regulation—Docket No. GF3-2652.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is hereby ordered:*

§ 1499.1069 *Adjustment of the maximum price for the sale of 36" unbleached cheesecloth by Henry Cantor and the Western Electric Company, Philadelphia, Pennsylvania.* (a) Henry Cantor, 1014-1016 Arch Street, Philadelphia, Pennsylvania, may sell and deliver to the Western Electric Company, Philadelphia, Pennsylvania, 36" 32 x 28 unbleached cheesecloth and said Western Electric Company may buy such material from Henry Cantor at a price no higher than 5 cents per yard.

(b) Western Electric Company, Philadelphia, Pennsylvania, may add 1 cent per yard to the maximum price which, but for this adjustment, would be applicable to its sales of 36" 32 x 28 unbleached cheesecloth, and any person may purchase from Western Electric Company at such increased price.

(c) The maximum prices set forth in paragraphs (a) and (b) shall be subject to the same terms and conditions of sale as were granted to purchasers during March, 1942.

(d) All prayers of the petition not granted herein are denied.

(e) This Order No. 168 (§ 1499.1069) may be revoked or amended by the Price Administrator at any time.

(f) This Order No. 168 (§ 1499.1069) is hereby incorporated as a section of Supplementary Regulation No. 14, which contains modifications of maximum prices established by § 1499.2.

(g) This Order No. 168 (§ 1499.1069) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1015; Filed, January 20, 1943; 4:49 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 169 Under § 1499.18 (b) of GMPR]

TOOTLE-CAMPBELL DRY GOODS CO.

Order No. 169 under § 1499.18 (b) of the General Maximum Price Regulation—Docket No. GF3-844.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is ordered:*

§ 1499.1070 *Adjustment of maximum prices for 36-inch unbleached muslins and 38/39 unbleached print cloths sold by Tootle-Campbell Dry Goods Company.* (a) Tootle-Campbell Dry Goods Company, St. Joseph, Missouri, may sell and deliver, and any person may buy and receive from Tootle-Campbell Dry Goods Company, the following 36-inch unbleached muslins and 38/39-inch unbleached print cloths at prices no higher than those set forth below:

Description:	*Cents per yard*
36" Unbleached muslins:	
48 x 40—5.50	9⅛
48 x 52—4.70	10⅝
56 x 60—4.00	12½
64 x 68—3.50	14⅜
48 x 58—2.85	16½
38" to 39" Unbleached print cloths:	
60 x 48—6.25	8⅞
64 x 60—5.35	10½
80 x 80—4.00	14

(b) The prices set forth in paragraph (a) of this section shall be subject to the same terms and conditions of sale as were granted to purchasers during March, 1942.

(c) Retailers may not charge for the unbleached muslin and unbleached print cloths listed in paragraph (a) of this section a price in excess of their maximum price as established under the General Maximum Price Regulation.

(d) Tootle-Campbell Dry Goods Company shall cause the following notice to be sent, in writing to all its customers who purchase the unbleached muslins and unbleached print cloths listed in paragraph (a) of this section:

The Office of Price Administration has permitted us to raise our maximum prices for sales to you of the following 36-inch unbleached muslins and 38/39-inch unbleached print cloths to the prices set forth below:

Description:	*Cents per yard*
36" Unbleached muslins:	
48 x 40—5.50	9⅛
48 x 52—4.70	10⅝
56 x 60—4.00	12½
64 x 68—3.50	14⅜
48 x 58—2.85	16½
38" to 39" Unbleached print cloths:	
60 x 48—6.25	8⅞
64 x 60—5.35	10½
80 x 80—4.00	14

These increases represent only that part of cost increases which we were unable to absorb and it was granted with the understanding that our customers' prices would not be raised. The Office of Price Administration has not permitted you or any other seller to raise maximum prices for sales of these unbleached muslins and unbleached print cloths or any other commodity processed therefrom.

(e) All prayers of the petition not granted herein are denied.

(f) This Order No. 169 is hereby incorporated as a section of Supplementary Regulation No. 14, which contains modifications of maximum prices established by § 1499.2.

(g) This Order No. 169 may be revoked or amended at any time.

(h) This Order No. 169 (§ 1499.1070) shall become effective January 21, 1943.

(Pub. Laws 421 and 759, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1021; Filed, January 20, 1943; 4:51 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 170 Under § 1499.18 (b) of GMPR]

VERIBRITE FACTORY

Order No. 170 under § 1499.18 (b) of the General Maximum Price Regulation—Docket No. GF3-604.

For the reasons set forth in an opinion issued simultaneouly herewith, *It is ordered:*

§ 1499.1071 *Adjustment of maximum prices in terms of weight for lozenge boats manufactured and sold by Veribrite Factory of Chicago, Illinois, owned and operated by the National Candy Company, St. Louis, Missouri.* (a) That Veribrite Factory, owned and operated by the National Candy Company, is hereby authorized to sell its lozenge boats at a maximum delivered price of 68 cents per carton of 24 five cent packages, 20 lozenges to the package, at a minimum weight of 1½ ounces per package.

(b) That all wholesalers and retailers who purchase Veribrite's new lozenge packages are hereby authorized to sell said package in its new content of 20 lozenges at a minimum weight of 1½ ounces at a price not in excess of the maximum price which they established for the old package, containing 24 lozenges and weighing approximately 2 ounces, under sections (2) and (3) of the General Maximum Price Regulation or as adjusted under section 18 of said regulation.

(c) That all sellers shall continue the same discounts, allowances and price differentials as were offered in March, 1942: *Provided, however,* That sellers may change discounts, allowances and price differentials only if such changes result in prices lower than the maximum price fixed herein.

(d) That Veribrite Factory shall mail or otherwise supply to all buyers who purchase lozenge packages from it for sale at wholesale and retail, prior to first delivery to such buyer, a notice reading as follows:

> The contents of our "Veribrite" lozenge package have been reduced to 20 lozenges and the weight thereof has been reduced to a minimum of 1½ ounces, the package size sold by our competitors. The Office of Price Administration has authorized us and our wholesalers and retailers to charge the same for our new package as was charged for our old package containing 24 lozenges and weighing 2 ounces.

(e) This Order No. 170 may be revoked or amended by the Price Administrator at any time.

(f) This Order No. 170 (§ 1499.1071) is hereby incorporated as a section of Supplementary Regulation No. 14 which contains modification of maximum prices established by § 1499.2.

(g) This Order No. 170 (§ 1499.1071) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong., E.O. 9250, 7 F. R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1020; Filed, January 20, 1943; 4:51 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 171 Under § 1499.18 (b) of GMPR]

EARTHEN PRODUCTS COMPANY

Order No. 171 under § 1499.18 (b) of the General Maximum Price Regulation—Docket No. GF3-2503.

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered:*

§ 1499.1072 *Adjustment of maximum price for sales of Baroco by the Earthen Products Company.* (a) The maximum price for the sale of Baroco by the Earthen Products Company, 2510 Crockett Street, Houston, Texas, shall be $12.40 per ton.

(b) All discounts, trade practices and practices relating to the payment of shipping charges in effect during March 1942 on the sale by Earthen Products Company of Baroco shall apply to the maximum price set forth in paragraph (a).

(c) All prayers of the applicant not granted herein are denied.

(d) This Order No. 171 may be revoked or amended by the Price Administrator at any time.

(e) This Order No. 171 (§ 1499.1072) is hereby incorporated as a section of Supplementary Regulation No. 14 which contains modifications of maximum prices established by § 1499.2.

(f) This Order No. 171 (§ 1499.1072) shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1016; Filed, January 20, 1943; 4:49 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 172 Under § 1499.18 (b) of GMPR]

EDWARD V. SAUNORIS AND A. G. SOLNER

Order No. 172 under § 1499.18 (b) of the General Maximum Price Regulation—Docket No. GF3-639.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, *It is ordered:*

§ 1499.1073 *Granting adjustment of maximum prices for sales of gut strings by Edward V. Saunoris and A. G. Solner.* (a) Edward V. Saunoris and A. G. Solner, doing business at 5800 West 111th Street, Worth, Illinois, may sell and deliver the following sizes of gut string for surgical sutures at prices no higher than those set forth below:

	Per coil
Size 0	@ $1.23
Size 1	@ 1.45
Size 2	@ 1.55

subject to all customary allowances, discounts and other price differentials in effect during March 1942.

(b) This Order No. 172 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 172 (§ 1499.1073) is incorporated as a section of Supplementary Regulation No. 14 which contains modifications of maximum prices established by § 1499.2 of the General Maximum Price Regulation.

(d) This Order No. 172 (§ 1499.1073) under § 1499.18 (b) of the General Maximum Price Regulation shall become effective January 21, 1943.

(Pub. Laws 421 and 729, 77th Cong. E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1017; Filed, January 20, 1943; 4:44 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 12 Under Supp. Reg. 15 of GMPR]

WRIGHT & COBB LIGHTERAGE CO.

Order No. 12 under § 1499.75 (a) (3) of Supplementary Regulation No. 15 of the General Maximum Price Regulation—Docket No. GF3-2498.

For the reasons set forth in an opinion issued simultaneously herewith, *It is ordered:*

§ 1499.1312 *Adjustment of maximum prices for contract carrier services sold by the Wright & Cobb Lighterage Company.* (a) The Wright & Cobb Lighterage Company, 17 Battery Place, New York, N. Y., may sell and deliver lighterage services as a contract carrier, in connection with the transportation of cement in the area covering the Hudson River, North to Troy, New York; Long Island Sound to Bridgeport, Connecticut; Jamaica Bay, East to Arverne, New York; Kill Van Kull, South to Cartaret, New Jersey; and New York Harbor and tributaries, at prices not more than the following:

	Per bbl.
1,000 to 1,250 Bbls	$.24
1,251 to 1,500 Bbls	.22
1,501 and over	.21

(b) All requests of the application not granted herein are denied.

(c) This Order No. 12 may be revoked or amended by the Price Administrator at any time.

(d) This Order No. 12 (§ 1499.1312) is hereby incorporated as a section of Supplementary Regulation No. 14, which contains modifications of maximum prices established by § 1499.2.

(e) This Order No. 12 (§ 1499.1312) shall become effective January 21, 1943.

(Pub. Laws No. 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1001; Filed, January 20, 1943; 4:43 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 219 Under § 1499.3 (b) of GMPR]

DELUXE BRANDS CO.

Correction

The third paragraph of § 1499.1455 (b) appearing on page 621 of the issue for Saturday, January 16, 1943, should read as follows:

"Net cost for a wholesaler as mentioned in this paragraph shall be his invoice price for the first delivery of 'DeLuxe' Mushroom Soup Mix and 'DeLuxe' Mushroom Sauce Mix * * *."

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 10—INSURANCE

APPLICATIONS FOR INSURANCE

Addition of §10.3470.

§ 10.3470 *Claims alleging insurance contract where there is no application for insurance on file.* In those cases where claim is made alleging that a person made valid application for National Service Life Insurance and that the insurance is subject to reinstatement or a waiver of payment of premiums is in order, or that the insurance matured by reason of the death of the insured at a time when the insurance was in force and that there was a valid designation of beneficiary, and where there is no application for insurance on file, the claimant will be required to submit all available evidence concerning the alleged application for insurance in such manner and on such forms as may be deemed necessary. The evidence submitted by the claimant and the evidence as disclosed by records in possession of the Government will be considered by the director of insurance and if found sufficient to establish as a fact that the said person did apply for insurance and if the other allegations of said claim are sustained a record of insurance will be established in accordance with such finding. However, if the director of insurance decides that the evidence is not sufficient to establish as a fact that the said person applied for insurance as alleged, or decides that if insurance had been applied for as alleged the same would not be valid or not subject to reinstatement, or decides that the said person did not die at a time when the insurance would have been in force if insurance had been applied for, or in case of death that there was no valid designation of beneficiary, the claimant will be so informed and will be notified that unless he desires to appeal to the Administrator a disagreement exists as to the matters in controversy as contemplated by the provisions of section 617 of the National Service Life Insurance Act of 1940, as amended, as far as the Veterans' Administration is concerned. Further, the claimant will be informed that an appeal may be taken from the decision to the Administrator of Veterans Affairs by giving notice in writing within sixty days from the date of the letter advising of the unfavorable decision. (January 22, 1943) [43 Stat. 608; 38 U.S.C. 426]

[SEAL] FRANK T. HINES,
Administrator.

[F. R. Doc. 43-1031; Filed, January 20, 1943; 4:46 p. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter I—Interstate Commerce Commission

Subchapter A—General Rules and Regulations

[Service Order 104]

PART 95—CAR SERVICE

SUBSTITUTION OF REFRIGERATOR CARS FOR BOX CARS

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 19th day of January, A. D. 1943.

It appearing, that, due to the existing state of war, an emergency exists which, in the opinion of the Commission, requires immediate action to prevent shortage of railroad equipment, empty mileage of freight cars, and congestion of traffic; *It is ordered,* That:

§ 95.304 *Substitution of refrigerator cars.* (a) On and after 12:01 a. m. January 25, 1943, and until further order of this Commission, common carriers by railroad subject to the Interstate Commerce Act transporting westbound transcontinental shipments, in carloads, destined to points in the States of California, Idaho, Arizona, Nevada, and Utah, may, at their option, furnish and transport not more than three refrigerator cars of Pacific Fruit Express or Santa Fe Refrigerator Despatch ownership in lieu of each box car ordered subject to the carload minimum weight which would have applied if the shipment had been loaded in a box car. (See note.)

NOTE: This provision does not apply on shipments on which the carload minimum weight varies with the size of the car.

(b) The operation of all rules, regulations and tariff provisions, including Item 792, in Trans-Continental Freight Bureau Tariff No. 1-W, Agent L. E. Kipp's I.C.C. No. 1484; Item No. 792 in Trans-Continental Freight Bureau Tariff No. 4-T, Agent L. E. Kipp's I.C.C. No. 1487; Item 1025-B, Trans-Continental Freight Bureau Tariff No. 38-F, Agent L. E. Kipp's I.C.C. No. 1420; Item No. 292, Trans-Continental Freight Bureau Tariff No. 39-G, Agent L. E. Kipp's I.C.C. No. 1489; Item 555, Trans-Continental Freight Bureau Tariff No. 45-C, Agent L. E. Kipp's I.C.C. No. 1477, and Item No. 905, Trans-Continental Freight Bureau Tariff No. 48-J, Agent L. E. Kipp's I.C.C. No. 1481; also the provisions published in said tariffs which refer to Tariff No. S. O. 68, Agent L. E. Kipp's I.C.C. No. A-3391, also Rule 24 of the Western Classification No. 70, Agent R. C. Fyfe's I.C.C. No. 28, or reissues thereof, and all other tariff provisions, in so far as they are inconsistent with this order, are hereby suspended.

(c) That the provisions of Service Order No. 68, as amended, and all other orders of the Commission, in so far as they conflict with the provisions of this order, be, and they are hereby, suspended. (40 Stat. 101, Sec. 402, 41 Stat. 476, Sec. 4, 54 Stat. 901; 49 U.S.C. 1 (10)-(17)).

It is further ordered, That copies of this order and direction be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement, and that notice of this order be given to the general public by depositing a copy of it in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register, The National Archives.

By the Commission.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 43-995; Filed, January 20, 1943; 4:34 p. m.]

Subchapter B—Carriers by Motor Vehicle

PART 194—MOTOR CARRIER SAFETY REGULATIONS NECESSARY PARTS AND ACCESSORIES

FIRE EXTINGUISHER REQUIREMENTS

At a session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 13th day of January 1943.

Rule 3.3491 (a) of the Motor Carrier Safety Regulations (§ 194.3 (d) (9) (i) (a) of Title 49, Code of Federal Regulations) and section 204 (f) of Part II of the Interstate Commerce Act being under consideration,

And it appearing, that fire extinguishers described in said section of said rules involve the use of materials needed for the war effort, and that extinguishers complying with the specifications in said rule described have become difficult to obtain,

And it further appearing, that there is now available a new type of fire extinguisher developed by experiments of the Underwriters' Laboratories, Inc., manufactured under specifications hereinafter designated, and that hand fire extinguishers manufactured in accordance

with such specifications will be reasonably efficacious and will avoid the employment of critically strategical materials.

It is therefore ordered, That said Rule 3.3491 (a) (§ 194.3 (d) (9) (i) (a)) be, and it is hereby suspended until December 31, 1944, or until any date prior thereto upon which the Commission may revoke this order of suspension and

It is further ordered, That during the period of such suspension the following Temporary Rule 3.3491 (a) shall be in effect in lieu of said Rule 3.3491 (a), viz.,

§ 194.3 *Equipment required on all motor vehicles (except in drive-away operations).* * * *

(d) *Miscellaneous parts and accessories.* * * *

(9) *Emergency parts and accessories required.* * * *

(i) On every bus, truck or tractor there shall be:

(a) (1) At least one fire extinguisher, either of a type inspected and labelled by Underwriters' Laboratories, Inc., 207 E. Ohio Street, Chicago, Ill., under Classification B, and utilizing an extinguishing agent which does not need protection from freezing, properly filled and securely mounted in a bracket (minimum size: one-quart carbon tetrachloride type, or two-pound carbon dioxide type); or of the type listed by Underwriters' Laboratories, Inc., 207 E. Ohio Street, Chicago, Ill., under the specification entitled "No. 299—Underwriters' Laboratories, Inc., Emergency Requirements for Hand Fire Extinguishers for Motor Vehicles", properly filled and securely mounted in a bracket, which shall bear the certification of the manufacturer that it fulfills the requirements of the aforementioned specification, and each unit of such an extinguisher shall bear Underwriters' Laboratories, Inc. marker. The requirements of this rule shall not apply to any taxicab. (Sec. 204 (a), (f), 49 Stat. 546; sec. 20, 54 Stat. 922; 56 Stat. 176; 49 U.S.C. 304)

It is further ordered, That this order shall be effective on and after February 1, 1943, until further order.

By the Commission, Division 5.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 43-996; Filed, January 20, 1943; 4:34 p. m.]

Notices

TREASURY DEPARTMENT.

Fiscal Service: Bureau of the Public Debt.

[1943 Dept. Circ. 705]

⅞ PERCENT TREASURY CERTIFICATES OF INDEBTEDNESS OF SERIES A-1944

JANUARY 21, 1943.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury Certificates of Indebtedness of Series A-1944. The amount of the offering is $2,000,000,000, or thereabouts.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated February 1, 1943, and will bear interest from that date at the rate of ⅞ percent per annum, payable semiannually on August 1, 1943 and February 1, 1944. They will mature February 1, 1944, and will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates shall be subjected to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes and will not bear the circulation privilege.

4. Bearer certificates with two interest coupons attached will be issued in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Subscribers must agree not to sell or otherwise dispose of their subscriptions, or of the securities which may be allotted thereon, prior to the closing of the subscription books. Banking institutions and securities dealers generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions and securities dealers will not be permitted to enter subscriptions except for their own account. Subscriptions from banks and trust companies for their own account will be received without deposit. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, subscriptions for amounts up to and including $100,000 from banks which accept demand deposits, and subscriptions in any amount from all other subscribers, will be allotted in full; subscriptions for amounts over $100,000 from banks which accept demand deposits will be allotted on an equal percentage basis, to be publicly announced. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made or completed on or before February 1, 1943, or on later allotment. In every case where payment is not so completed, the payment with application up to 2 percent of the amount of certificates applied for shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. Treasury Certificates of Indebtedness of Series A-1943, maturing February 1, 1943, will be accepted at par in payment for any certificates of the series now offered which shall be allotted.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

D. W. BELL, *Acting Secretary of the Treasury.*

[F. R. Doc. 43-1064; Filed, January 21, 1943; 11:37 a. m.]

DEPARTMENT OF AGRICULTURE.

Rural Electrification Administration.

[Administrative Order 737]

ALLOCATION OF FUNDS FOR LOANS

JANUARY 9, 1943.

I hereby amend:

(a) Administrative Order No. 64 by changing the project designation therein given as "Washington 9 San Juan" in the amount of $87,000 to read "Washington 7009A1 San Juan" in the amount of $67,000 and "Washington 7009G1 San Juan" in the amount of $20,000;

(b) Administrative Order No. 93 by changing the project designation therein given as "Washington 23 Grays Harbor" in the amount of $60,000 to read "Washington 7023A1 Grays Harbor" in the amount of $19,000 and "Washington 7023G1 Grays Harbor" in the amount of $41,000.

[SEAL] HARRY SLATTERY, *Administrator.*

[F. R. Doc. 43-1065; Filed, January 21, 1943; 11:20 a. m.]

CIVIL AERONAUTICS BOARD.

[Docket No. 808]

UNITED AIR LINES TRANSPORT CORPORATION

NOTICE OF HEARING

In the matter of the petition of United Air Lines Transport Corporation for an order fixing and determining the fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith over Routes Nos. 1, 11, 17, and 57.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 406 and 1001 of said Act, in the above-entitled proceeding, that hearing is assigned to be held on January 28, 1943, 10 a. m. (eastern war time) in Conference Room 1, Department of Commerce Auditorium, 14th Street and Constitution Avenue, NW., Washington, D. C., before Examiner Albert F. Beitel.

Dated Washington, D. C., January 20, 1943.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,
Secretary.

[F. R. Doc. 43-1033; Filed, January 21, 1943; 9:57 a. m.]

OFFICE OF ALIEN PROPERTY CUSTODIAN.

[Vesting Order 468]

ASSICURAZIONI GENERALI DI TRIESTE E VENEZIA

Whereas pursuant to Vesting Order Number 218 of October 7, 1942, the undersigned vested all property situated within the United States of Assicurazioni Generali di Trieste e Venezia and its United States branch except certain cash held by the liquidator of said company in a reserve fund to be used for the payment of certain claims and liquidation expenses; and

Whereas it has developed that there may be certain amounts remaining in said fund after the determination and payment of said claims and liquidation expenses;

Now, therefore, in order to effect the vesting in the undersigned of any amounts remaining in said fund after the payment of such claims and expenses, the following order is hereby issued:

Under the authority of the Trading with the Enemy Act, as amended, and Executive Order No. 9095, as amended, and pursuant to law, the undersigned, after investigation, finding that the property described as follows:

The excess, if any, of the reserve fund being retained by Louis H. Pink, Superintendent of Insurance of the State of New York, as liquidator of the United States branch of Assicurazioni Generali di Trieste e Venezia, an Italian corporation, Trieste, Italy (which United States branch is known as the General Insurance Company, Ltd., of Trieste and Venice, New York, New York) after the determination and payment of (1) claims of domestic creditors of such United States branch of said corporation which have been allowed and approved but not paid by said liquidator, (2) claims of domestic creditors of such United States branch of said corporation which are being held in suspense by said liquidator, and (3) liquidation expenses of said liquidator;

is property of such corporation which is a business enterprise within the United States and which is a national of a designated enemy country (Italy), and also is property which is in the process of administration by a person (namely, the aforesaid Superintendent of Insurance of the State of New York) acting under judicial supervision (namely, that of the Supreme Court of the State of New York), and which is payable or deliverable to, or claimed by, a national of a designated enemy country (Italy); and determining that to the extent that such national is a person not within a designated enemy country the national interest of the United States requires that such person be treated as a national of the aforesaid designated enemy country (Italy), and having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest, hereby vests in the Alien Property Custodian the aforesaid excess, if any, of the reserve fund, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The property vested hereby and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such vested property or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian. Nothing herein contained shall be deemed to constitute an admission of the existence, validity or right to allowance of any such claim.

The terms "national", "designated enemy country" and "business enterprise within the United States" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Executed at Washington, D. C., on December 9, 1942.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1043; Filed, January 21, 1943; 11:29 a. m.]

[Vesting Order 680]

TRUST UNDER WILL OF H. D. AHLFF

In re: trust under will of H. D. Ahlff, deceased—File D-28-1753; E. T. sec. 1001.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by The Capital National Bank of Sacramento, Trustee, 700 Jay Street, Sacramento, California, acting under the judicial supervision of The Superior Court of the State of California in and for the County of Colusa; and

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Maria Meyer	Germany.
Alma Diercks	Germany.
Maria Semmel Haack	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Maria Meyer, Alma Diercks, and Maria Semmel Haack, and each of them, in and to the trust estate created under the Last Will and Testament of H. D. Ahlff, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall

have the meanings prescribed in section 10 of said Executive Order.

Dated January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1070; Filed, January 21, 1943; 11:52 a. m.]

[Vesting Order 681]

AGNES ALBERT VS. JOSEPHINE EHM, ET AL.

In re: Partition suit: Agnes Albert, Plaintiff vs. Josephine Ehm, et al. filed in the Circuit Court of Wood County, Wisconsin, #6960, August 13, 1940—File F-28-13522; E. T. sec. 44.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by Jasper C. Johnson, Clerk, acting under the judicial supervision of the Circuit Court of Wood County, Wisconsin, and which is in partition proceedings entitled, Agnes Albert, Plaintiff vs. Josephine Ehm, Anna Schuster, Barbara Schmolz, Mrs. Pauline Werner, Mary Schuster, Sam Becker, and all the unknown heirs, wives, legatees, grantees, devisees, next of kin, executors, administrators and legal representatives, or assigns, of each and every of the persons herein named as defendants, and their successors, Defendants, #6960, filed in said Court, August 13, 1940;

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Anna Auer	Germany.
Joseph Schmolz	Germany.
Leopold Schmolz	Germany.
Mrs. Agnes Winter	Germany.
Anna Renz	Germany.
Otto Nikasch	Germany.
Otto Werner	Germany.
Oscar Werner	Germany.
Anna Schuster	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Anna Auer, Joseph Schmolz, Leopold Schmolz, Mrs. Agnes Winter, Anna Renz, Otto Nikasch, Otto Werner, Oscar Werner, and Anna Schuster and each of them in and to the proceeds from the sale of real estate involved in the above partition procedings,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1044; Filed, January 21, 1943; 11:33 a. m.]

[Vesting Order 682]

ESTATE OF WILLIAM A. ALDRICH

In re: Estate of William A. Aldrich, deceased—File D-28-3359; E. T. sec. 957.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Bank of America National Trust and Savings Association, Trustee, acting under the judicial supervision of the Superior Court of the State of California, in and for Alameda County;

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Elisabeth Bettenhausen	Germany.
Heirs, names unknown, entitled to receive the estate of Albert Herbst, who died a resident of Germany.	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Elisabeth Bettenhausen and Heirs, names unknown, entitled to receive the estate of Albert Herbst, who died a resident of Germany and each of them in and to the trust estate established under the Will of William A. Aldrich, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1045; Filed, January 21, 1943; 11:33 a. m.]

[Vesting Order 683]

ESTATE OF HERMAN L. ARBENZ

In re: Estate of Herman L. Arbenz, deceased—File D-28-1764; E. T. sec. 1120.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by Wheeling Dollar Savings & Trust Company, Administrator c. t. a., 1315 Market Street, Wheeling, West Virginia, acting under the judicial supervision of County Court of Ohio County, West Virginia,

(2) Such property and interests are payable or deliverable to, or claimed by nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Mrs. Heinrich Jetter	Germany.
Anna Junge	Germany.
Maria Junge	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification required by said Executive

Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Mrs. Heinrich Jetter, Anna Junge, and Maria Junge, and each of them, in and to the estate of Herman L. Arbenz, deceased

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1046; Filed, January 21, 1943; 11:33 a. m.]

[Vesting Order 684]

ESTATE OF GUSTAV ADOLF DEPPERMANN

In re: Estate of Gustav Adolf Deppermann, deceased—File D–28–1485; E. T. sec. 145.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by Theodore E. Steinway, Ancillary Administration c. t. a., of 126 East 65th Street, New York, N. Y., acting under the judicial supervision of Surrogate's Court of New York County, New York;

(2) Such property and interests are payable or deliverable to, or claimed by, a national of a designated enemy country, Germany, namely,

National:	*Last known address*
Anna Louise Lucinda Deppermann.	Hamburg, Germany.

And determining that—

(3) If such national is a person not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Anna Louise Lucinda Deppermann in and to the estate of Gustav Adolf Deppermann, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1047; Filed, January 21, 1943; 11:32 a. m.]

[Vesting Order 685]

TRUST UNDER WILL OF EDWARD W. DUFFT

In re: Trust u/w of Edward W. Dufft, deceased—File D–28–1674; E. T. sec. 553.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by The Chase National Bank of the City of New York as Trustee acting under the Judicial supervision of the Surrogate's Court of King's County, New York;

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Emmi Elster	Germany.
Oscar Schirlitz	Germany.
Dora Schirlitz	Germany.
Herman Schirlitz	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Emmi Elster, Oscar Schirlitz, Dora Schirlitz and Herman Schirlitz and each of them in and to a trust created by the will of Edward W. Dufft, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1048; Filed, January 21, 1943; 11:29 a. m.]

[Vesting Order 686]

ESTATE OF PAUL ENGEL

In re: Estate of Paul Engel, deceased—File D–28–1863, E.T. sec. 1687.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court, Queens County, New York:

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Dorothy Kuller	Germany.
Bertha Steller	Germany.
Auguste Kahl	Germany.
Ernst Engel	Germany.
Helene Skarupke	Germany.
Frieda Bischoff	Germany.
Frederich Skarupke	Germany.
Anna Skarupke	Germany.
Pauline Griebsch	Germany.
Ella Brewer	Germany.
Frieda Lebitzke	Germany.
Wilhelmine Puettbach	Germany.
Werner Skarupke	Germany.
Ernst Skarupke	Germany.
Heinrich Skarupke	Germany.
Ida Engel	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals—of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Dorothy Kuller, Bertha Steller, Auguste Kahl, Ernst Engel, Helene Skarupke, Frieda Bischoff, Frederich Skarupke, Anna Skarupke, Pauline Griebsch, Ella Brewer, Frieda Labitzke, Wilhelmine Puettbach, Werner Skarupke, Ernst Skarupke, Heinrich Skarupke and Ida Engel, and each of them, in and to the Estate of Paul Engel, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1049; Filed, January 21, 1943; 11:33 a. m.]

[Vesting Order 637]

ESTATE OF PAUL FILZEN

In re: Estate of Paul Filzen, deceased—File D–28–1397; E. T. sec. 62.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by Percy J. Tewksbury, Osceola, Wisconsin, and Louis S. Headley, c/o First Trust Company, St. Paul Minnesota, Executors and Trustees under the Last Will and Testament of Paul Filzen, deceased, acting under the judicial supervision of the County Court of the State of Wisconsin, in and for the County of Polk, and the Probate Court of the State of Minnesota, in and for the County of Chicago;

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely, Marie Felden, and other issue of Anna Krotz, deceased, (names unknown) whose last known addresses are Germany; and

Determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title interest, and claim of any kind or character whatsoever of Marie Felden, and other issue of Anna Krotz, deceased, (names unknown) and each of them, in and to the residuary trust estate created under the Last Will and Testament of Paul Filzen, deceased.

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1059; Filed, January 21, 1943; 11:32 a. m.]

[Vesting Order 633]

ESTATE OF CAROLINE A. GLICKLEY

In re: Estate of Caroline A. Glickley, also known as Carolyn A. Glickley, deceased—File D–28–1494; E. T. sec. 215.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by T. J. Dewan, Administrator, acting under the judicial supervision of the Orphans' Court of the State of Pennsylvania, in and for Allegheny County;

(2) Such property and interests are payable or deliverable to, or claimed by, a national of a designated enemy country, Germany, namely,

National:	*Last known address*
Karoline Hacker	Germany.

And determining that—

(3) If such national is a person not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Karoline Hacker in and to the Estate of Caroline A. Glickley, also known as Carolyn A. Glickley, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date

hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY
Alien Property Custodian.

[F. R. Doc. 43-1051; Filed January 21, 1943; 11:30 a. m.]

[Vesting Order 689]

ESTATE OF CLARA HEINE

In re: Estate of Clara Heine, deceased—File No. D-28-3366 T. E., sec. 1186.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court of the State of New York, in and for New York County;

(2) Such property and interests are payable or deliverable to, or claimed by, a national, of a designated enemy country, Germany, namely, Karoline Mathilda Heine whose last known address is Germany;

And determining that—

(3) If such national is a person not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Karoline Mathilda Heine in and to the Estate of Clara Heine, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1052; Filed, January 21, 1943; 11:30 a. m.]

[Vesting Order 690]

ESTATE OF JOSEPH HELUS

In re: Estate of Joseph Helus, deceased—File D-28-1998; E. T. sec. 2065.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation.

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by Ben H. Brown, Public Administrator of Los Angeles County, Administrator c. t. a., 137 North Broadway, Los Angeles, California, acting under the judicial supervision of Superior Court for the County of Los Angeles, California;

(2) Such property and interests are payable or deliverable to, or claimed by nationals of designated enemy country, Germany, namely,

Nationals:	*Last known address*
Adolf Helus	Germany (Austria).
Wenzel Hyduk	Germany.
Aloisia Breskey	Germany

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of designated enemy country, Germany; and Having made all determinations and taken all action, after appropriate consultation and certification required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Adolf Helus, Wenzel Hyduk, and Aloisia Breskey, and each of them, in and to the estate of Joseph Helus, deceased.

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1053; Filed, January 21, 1943; 11:30 a. m.]

[Vesting Order 691]

ESTATE OF MARTHA HERTZ

In re: Estate of Martha Hertz, deceased—File D-28-1864, E. T. sec. 1688.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interest hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court, Queens County, New York;

(2) Such property and interest are payable or deliverable to, or claimed by, a national of a designated enemy country, Germany, namely, Simon Hertz, whose last known address is Germany;

And determining that—

(3) If such national is a person not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interest:

All right, title, interest, and claim of any kind or character whatsoever of Simon Hertz in and to the Estate of Martha Hertz, deceased.

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interest and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interest or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order

may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1054; Filed, January 21, 1943; 11:32 a. m.]

[Vesting Order 692]

GUSTAV HEUBACH

In re: Trust under will of Gustav Heubach, deceased—File D–28–1907; E. T. sec. 1529.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by City Bank Farmers Trust Company, Substituted Trustee, 181 Montague Street, Brooklyn, New York, and Edward A. Behr and Maximilian E. Pesnel, Co-Trustees, acting under the judicial supervision of the Surrogate's Court of Kings County, State of New York;

(2) Such property and interests are payable or deliverable to, or claimed by, political subdivisions of a designated enemy country, Germany, namely,

City of Sonneberg, Germany.
City of Munich, Germany.
Town of Staufen, Germany.
Town of Lehesten, Germany.

Having made all determinations and taken all action, after appropriate consultation and certification required by said Executive Order of Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of City of Sonneberg, Germany; City of Munich, Germany; Town of Staufen, Germany; and Town of Lehesten, Germany, and each of them, in and to the residuary trust estate created under the Last Will and Testament of Gustav Heubach, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1055; Filed, January 21, 1943; 11:33 a. m.]

[Vesting Order 693]

ESTATE OF LOUIS HOLZBERG

In re: Estate of Louis Holzberg, deceased—File No. D–34–64; E. T. sec. 806.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court of the State of New York, in and for Kings County;

(2) Such property and interests are payable or deliverable to, or claimed by, a national of a designated enemy country, Hungary, namely,

National:	*Last known address*
Bernard Firsyt	Hungary.

And determining that—

(3) If such national is a person not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country, Hungary; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Bernard Firsyt in and to the Estate of Louis Holzberg, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1056; Filed, January 21, 1943; 11:32 a. m.]

[Vesting Order 694]

ESTATE OF LUDWIG JEREMIAS

In re: Estate of Ludwig Jeremias, deceased—File D–28–1859, E. T. sec. 1683.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court, Queens County, New York;

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Hedwich Ebel	Germany.
Gustav Ebel	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest.

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Hedwich Ebel and Gustav Ebel, and each of them, in and to the Estate of Ludwig Jeremias, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds there-

of, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1057; Filed, January 21, 1943; 11:32 a. m.]

[Vesting Order 695]

ESTATE OF GURLI KANE

In re: Estate of Gurli Kane (also known as Gurli Kannengiesser), deceased—File D–28–1861, E. T. sec. 1685.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court, Queens County, New York;

(2) Such property and interests are payable or deliverable to, or claimed by, a national of a designated enemy country, Germany, namely, Joseph Kannengiesser, whose last known address is Germany;

And determining that—

(3) If such national is a person not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interest:

All right, title, interest, and claim of any kind or character whatsoever of Joseph Kannengiesser in and to the Estate of Gurli Kane (also known as Gurli Kannengiesser), deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interest or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1058; Filed, January 21, 1943; 11:29 a. m.]

[Vesting Order 696]

TRUST UNDER WILL OF WILLIAM KEINATH

In re: Trust under the will of William Keinath, deceased—File D–28–4698; E. T. sec. 1240.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by Provident Trust Company of Philadelphia, 1632 Chestnut Street, Philadelphia, Pennsylvania, and Samuel J. Taylor, 1723 Land Title Building, Philadelphia, Pennsylvania, Trustees, acting under the judicial supervision of Orphans' Court of the State of Pennsylvania, in and for the County of Philadelphia; and

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Village of Winterlingen	Wurtemburg, Germany.
Traugott Maier	Germany.
Emielie Maier	Germany.
Friede Maier	Germany.
Luise Schempp	Germany.
Anna Schempp	Germany.
Wilhelm Schempp	Germany.
Emilie Blickle	Germany.
Marie Koch	Germany.
Aline Rempp	Germany.
Johannes Keinath	Germany.
Traugott Rieber	Germany.
Mathilde Maag	Germany.
Gustav Frey	Germany.
Luise Karoline Forstner	Germany.
Emilie Keinath	Germany.
Karl Keinath	Germany.
Luise Beck	Germany.
Maria Maag	Germany.
Judith Sara Schempp	Germany.
Klara Maier	Germany.
Fanny Baumann	Germany.
Berta Koch	Germany.
Aline Koch	Germany.
Emma Baumann	Germany.
Rosa Baumann	Germany.
Maria Baumann	Germany.
Fanny Lehner	Germany.
Karoline Bihler	Germany.
Luise Keinath	Germany.
Ernst Keinath	Germany.
Anna Maag	Germany.
Karl Keinath, 2nd	Germany.
Hermann Bauman	Germany.
Wilhelm Keinath	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of the Village of Winterlingen, Germany; Traugott Maier, Emielie Maier, Friede Maier, Luise Schempp, Anna Schempp, Wilhelm Schempp, Emilie Blickle, Marie Koch, Aline Rempp, Johannes Keinath, Traugott Rieber, Mathilde Maag, Gustav Frey, Luise Karoline Forstner, Emilie Keinath, Karl Keinath, Luise Beck, Maria Maag, Judith Sara Schempp, Klara Maier, Fanny Baumann, Berta Koch, Aline Koch, Emma Baumann, Rosa Baumann, Maria Baumann, Fanny Lehner, Karoline Bihler, Luise Keinath, Ernst Keinath; Anna Maag, Karl Keinath, 2nd, Hermann Bauman, and Wilhelm Keinath, and each of them, in and to the trust estate created under the Last Will and Testament of William Keinath, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1071; Filed, January 21, 1943; 11:52 a. m.]

[Vesting Order 697]

TRUST OF LUISE LARSON

In re: Trust of Luise Larson—File D-28-1495; E. T. sec. 154.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by Frank Light as Trustee acting under the judicial supervision of the District Court of the Sixth Judicial District of New Mexico;

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Frieda Flurer	Teinach, Wurttemberg, Germany.
Helene Rathgeber	Calw, Wurttemberg, Germany.
Martha Wurtser	Calw, Wurttemberg, Germany.
Emma Herzog	Calw, Wurttemberg, Germany.
Unknown heirs of Marie Zerweckh.	Teinach, Wurttemberg, Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Frieda Flurer, Helene Rathgeber, Martha Wurster, Emma Herzog and Unknown heirs of Marie Zerweckh and each of them in and to a trust created by indenture made the 16th day of August, 1932, between Luise Larson and Frank Light,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1059; Filed, January 21, 1943; 11:30 a. m.]

[Vesting Order 698]

ESTATE OF CHARLES LERCH

In re: Estate of Charles Lerch, deceased—File D-28-1671; E. T. sec. 540.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by John W. Oast, Jr., Administrator, Citizens Bank Building, Norfolk, Virginia, acting under the judicial supervision of Circuit Court of the State of Virginia, in and for the City of Norfolk;

(2) Such property and interests are payable or deliverable to, or claimed by nationals of a designated enemy country, Germany, namely,

Nationals:	*Last known address*
Johann Lerch	Germany.
Edmund Lerch	Germany.
Clara Lerch	Germany.
Mrs. Katie Oertel	Germany.
Mrs. Martha Harden	Germany.
Eugene Lerch	Germany.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Johann Lerch, Edmund Lerch, Clara Lerch, Mrs. Katie Oertel, Mrs. Martha Harden, and Eugene Lerch, and each of them, in and to the estate of Charles Lerch, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC-1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43-1072; Filed, January 21, 1943; 11:52 a. m.]

[Vesting Order 699]

ESTATE OF SALVATORE MANDILO

In re: Estate of Salvatore Mandilo, deceased—File D-38-392, E. T. sec. 1326.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Treasurer of the City of New York as depositary acting under the judicial supervision of the Surrogate's Court of the State of New York, in and for Bronx County;

(2) Such property and interests are payable or deliverable to, or claimed by, nationals of a designated enemy country, Italy, namely,

Nationals:	*Last known address*
Irena Mandilo	Italy.
Antonio Mandilo	Italy.
Guiseppe Mandilo	Italy.
Dominico Mandilo	Italy.
Francesco Mandilo	Italy.

And determining that—

(3) If such nationals are persons not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, Italy; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Irena Mandilo, Antonio Mandilo, Guiseppe Mandilo, Dominico Mandilo and Francesco Mandilo and each of them i and to the Estate of Salvatore Mandilo, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interests and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds there-

of, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1060; Filed, January 21, 1943; 11:29 a. m.]

[Vesting Order 700]

TRUST UNDER WILL OF CHRISTINE MAXHEIM

In re: Trust u/w of Christine, or Christina Maxheim, deceased—File F–28–14957; E. T. sec. 1232.

Under the authority of the Trading with the Enemy Act as amended, Executive Order 9095 as amended, and pursuant to law, the Alien Property Custodian after investigation,

Finding that—

(1) The property and interests hereinafter described are property which is in the process of administration by the Land Title Bank and Trust Company as Trustee acting under the judicial supervision of the Orphans Court of Philadelphia County, Philadelphia, Pennsylvania;

(2) Such property and interests are payable or deliverable to, or claimed by, a national of a designated enemy country, Germany, namely,

National:	*Last known address*
Peter Maxheim	Germany.

And determining that—

(3) If such national is a person not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country, Germany; and

Having made all determinations and taken all action, after appropriate consultation and certification, required by said Executive Order or Act or otherwise, and deeming it necessary in the national interest,

Now, therefore, the Alien Property Custodian hereby vests the following property and interests:

All right, title, interest, and claim of any kind or character whatsoever of Peter Maxheim in and to a trust created by the will of Christine or Christina Maxheim, deceased,

to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

Such property and interest and any or all of the proceeds thereof shall be held in a special account pending further determination of the Alien Property Custodian. This shall not be deemed to limit the powers of the Alien Property Custodian to return such property and interests or the proceeds thereof, or to indicate that compensation will not be paid in lieu thereof, if and when it should be determined that such return should be made or such compensation should be paid.

Any person, except a national of a designated enemy country, asserting any claim arising as a result of this order may file with the Alien Property Custodian a notice of his claim, together with a request for a hearing thereon, on Form APC–1, within one year from the date hereof, or within such further time as may be allowed by the Alien Property Custodian.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of said Executive Order.

Dated: January 18, 1943.

[SEAL] LEO T. CROWLEY,
Alien Property Custodian.

[F. R. Doc. 43–1061; Filed, January 21, 1943; 11:29 a. m.]

OFFICE OF DEFENSE TRANSPORTATION.

[Supplementary Order ODT 3, Revised–12]

ALTHAUSER EXPRESS AND VAN CO., ET AL.—REGISTRATION OFFICE AT NEW YORK, NEW YORK, FOR HOUSEHOLD GOODS MOTOR CARRIERS

Harry Althauser and Catherine Althauser, doing business as Althauser Express and Van Co., et al.

Upon consideration of the application for authority to coordinate motor vehicle service in the transportation of household goods, filed with the Office of Defense Transportation by the carriers named in the Appendix hereof, as governed by § 501.9 of General Order ODT 3, Revised, as amended,[1] and good cause appearing therefor, *It is hereby ordered,* That:

1. The carriers, and each of them, named in the Appendix hereof (hereinafter collectively called "carriers"), respectively, in the transportation of household goods as common carriers by motor vehicle, shall establish an office (hereinafter referred to as "registration office") at New York, New York, to facilitate the movement of shipments of household goods, in the following manner:

(a) Each carrier shall register with the registration office shipments which the carrier may be unable to transport by reason of the restrictions contained in General Order ODT 3, Revised, as amended;

(b) Each carrier shall register with the registration office all empty or partially loaded equipment for which the carrier has no shipments available;

(c) The manager or employees of the registration office shall advise the carriers as to shipments registered and empty equipment or the unloaded space therein which is available: *Provided,* That nothing herein contained shall be construed to authorize the manager or any employee of the registration office to dispatch equipment, direct traffic, or exercise any supervision or control over the movement of any shipment, or part thereof, in any manner whatsoever;

(d) The manager of the registration office, and each carrier, shall prepare, maintain and keep open for inspection by authorized representatives of the Office of Defense Transportation such records and shall make such reports, as may be prescribed or required by the Office of Defense Transportation;

(e) The cost of maintaining the registration office shall be apportioned among the carriers as they shall agree on, or in the event the carriers are unable to agree thereon, shall be apportioned as the Office of Defense Transportation shall determine and direct.

2. Shipments exchanged pursuant to this order shall be exchanged in accordance with the following conditions:

(a) All shipments shall be transported to point of destination on the bill of lading of the carrier with whom the shipper entered into the contract of carriage;

(b) Except as may be otherwise provided by agreement between the interested carriers or prescribed by the Interstate Commerce Commission or by the appropriate State regulatory body, the division of revenue derived from transportation of a shipment exchanged, and from storage in transit, packing and unpacking, and other accessorial services pertaining thereto, shall be as determined and directed by the Office of Defense Transportation;

(c) The rates and charges applicable to the transportation, storage in transit, packing and unpacking, and other accessorial services performed in respect of any shipment shall be the lawfully applicable rates and charges of the carrier with whom the shipper entered into the contract of carriage;

(d) The duties and obligations of the originating carrier to the shipper shall not be altered by an exchange made pursuant hereto;

(e) The carriers shall not exchange shipments with each other except as provided herein.

3. Any common carrier by motor vehicle, duly authorized or permitted to engage in the transportation of household goods, and having suitable equipment and facilities therefor, may make application in writing to the Division of Motor Transport, Office of Defense Transportation, Washington, D. C., for authorization to participate in the functioning of the registration office established pursuant hereto. A copy of every such application shall be served upon the manager of the registration office. Upon receiving such authorization, such carrier shall become subject to this order and shall thereupon be entitled and required to participate in the functioning of the registration office in accordance with all the provisions and conditions of this order, in the same manner and degree as the carriers named in the Appendix hereof.

[1] 7 F.R. 5445, 6689, 7694.

4. Nothing contained in this order shall be so construed or applied as to relieve any carrier subject hereto from registering with joint information offices and obtaining clearance certificates as provided in General Order ODT 13, as amended,[2] or required by any other General Order, or as to relieve any carrier from any other requirements of the Office of Defense Transportation, or from any other regulatory or legal requirement, or as to require or permit any carrier to perform any transportation service not authorized or sanctioned by law, or to render any service beyond its transportation capacity, or to alter its legal liability to any shipper or other carrier.

5. Each carrier subject to this order engaged in interstate transportation shall file a copy of this order with the Interstate Commerce Commission, and, if engaged in intrastate commerce, shall file a copy hereof with each appropriate State regulatory body having jurisdiction over any operations affected hereby.

6. Communications concerning this order should refer to "Supplementary Order ODT 3, Revised–12" and should be addressed to the Division of Motor Transport, Office of Defense Transportation, Washington, D. C.

7. This Supplementary Order ODT 3, Revised–12 shall become effective on January 26th, 1943, and shall remain in full force and effect until the termination of the present war shall have been duly proclaimed or until such earlier time as the Office of Defense Transportation by order may designate.

Issued at Washington, D. C. this 21st day of January 1943.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

APPENDIX TO SUPPLEMENTARY ORDER ODT 3, REVISED—NAMING CARRIERS REFERRED TO THEREIN

1. Harry Althauser and Catherine Althauser d/b/a Althauser Express and Van Co., New York, N. Y.
2. Arrow Fireproof Storage Warehouse, Inc. New York, N. Y.
3. Tommy Atkins Express and Van Co., New York, N. Y.
4. Atlas Storage Co., Inc., New York, N. Y.
5. Charles August d/b/a Atlas Van and Moving Company, New York, N. Y.
6. Audubon Fireproof Storage Whse., Inc., New York, N. Y.
7. Ernst C. Auer d/b/a Auer's Van and Express Co., New York, N. Y.
8. B & M Express, Inc., New York, N. Y.
9. Joseph Benson d/b/a Benson's Moving Company, New York, N. Y.
10. Charles Herbert Close d/b/a Beverly Moving Company, Yonkers, N. Y.
11. Beverly Storage Co., Inc., New York, N. Y.
12. "Original" J. F. Blackham, Inc., Flushing, L. I., N. Y.
13. Bowling Green Storage and Van Co., New York, N. Y.
14. William J. Brown d/b/a Brown's Warehouse Co., New York, N. Y.
15. Henry Brunner d/b/a Brunner Brothers Storage Warehouse, Brooklyn, N. Y.
16. Samuel Fuchs, Harry Fuchs, and Michael Fuchs d/b/a Century Moving and Storage Co., Inc., New York, N. Y.
17. Chelsea Fireproof Storage Warehouses, Inc., New York, N. Y.
18. Cirker's Moving and Storage Company, Inc., New York, N. Y.
19. Owen Cullen d/b/a Clancy Storage Co., Bronx, N. Y.
20. Florence M. Christal d/b/a Connolly's Express and Van Co., New York, N. Y.
21. Cuneo Storage Company, Inc., Bronx, N. Y.
22. Frank Catalano, Anthony Catalano, and William Power d/b/a Dard's Express, New York, N. Y.
23. Joseph J. Brill d/b/a Dart Moving Company, Brooklyn, N. Y.
24. William F. Dobbs d/b/a Dobbs Express Co., White Plains, N. Y.
25. Dwyer Storage Warehouses, Inc., New York, N. Y.
26. Madelon R. Plant d/b/a Eddy's Express, Portchester, N. Y.
27. David Silberman d/b/a Emerald Auto Vans and Express Company, New York, N. Y.
28. First National Moving and Storage Corp., New York, N. Y.
29. Henry Fisher d/b/a Fisher and Noble, New York, N. Y.
30. Flushing Storage Warehouse Company, Flushing, L. I., N. Y.
31. Arthur Foley, North Pelham, N. Y.
32. Fordham Storage Warehouse Corporation, Bronx, N. Y.
33. Fred G. Fuhr, Portchester, N. Y.
34. Globe Storage and Moving Co., Inc., Bronx, N. Y.
35. J. T. Goodliffe, Mamaroneck, N. Y.
36. Gramatan Moving and Storage Company, Bronxville, N. Y.
37. Grumet Moving and Storage Co., Inc., New York, N. Y.
38. Norman Hansen d/b/a Sam Hansen and Son, Brooklyn, N. Y.
39. Hempstead Storage Corporation, Hempstead, L. I., N. Y.
40. Hendricks Moving and Storage, Laurelton, L. I., N. Y.
41. Hermans Storage Warehouse Company, Inc., New York, N. Y.
42. Home Sweet Home Moving and Storage Co., Inc., East Hampton, L. I., N. Y.
43. The Independent Storage Company, New York, N. Y.
44. Jerome Storage Co., Inc., Bronx, N. Y.
45. William Johnston, Shelter Island Heights, N. Y.
46. Julius Kindermann and Sons, Inc., New York, N. Y.
47. Koberlein Express and Transfer Co., Inc., New York, N. Y.
48. Koster's Transfer, Inc., New York, N. Y.
49. Joseph Kranz, Bronx, N. Y.
50. Aubrey N. LaFrance d/b/a La France Express Co., New York, N. Y.
51. Charles Land d/b/a Charles Land Moving and Express Co., New York, N. Y.
52. S. Laskau, Inc., New York, N. Y.
53. Liberty Storage and Warehouse Company, Inc., New York, N. Y.
54. Samuel Lightbody, New Rochelle, N. Y.
55. Frank Masek d/b/a M & S Packers Movers and Shippers, New York, N. Y.
56. McCarthy Express and Trucking Co., Inc., New York, N. Y.
57. Alex MacKenzie d/b/a Mac's Express and Moving Co., Scaredale, N. Y.
58. Anthony J. Madden, White Plains, N. Y.
59. F. A. Maffucci and Son, Inc., Lynbrook, L. I., N. Y.
60. Meyer Margolies d/b/a Margolies Bros., Bronx, N. Y.
61. Marvel Moving Corp., New York, N. Y.
62. Matthew's Express and Van Co., Inc., New York, N. Y.
63. Mayfair Van and Express Company, Inc., New York, N. Y.
64. Edward Merkel and George Tzoucalis d/b/a E. Merkel and Company, Brooklyn, N. Y.
65. Metropolitan Fireproof Warehouse, Inc., New York, N. Y.
66. Morgan and Brother Fireproof Storage Warehouses, Inc., New York, N. Y.
67. Mount Pleasant Fireproof Storage, Inc. Pleasantville, N. Y.
68. Henry Muller, Jr. d/b/a Muller Brothers, Forest Hills, N. Y.
69. Daniel Murphy, Eugene Murphy, and Benjamin Murphy d/b/a Murphy Bros., New York, N. Y.
70. James C. Noble, Bronxville, N. Y.
71. The T. J. O'Reilly Storage Warehouse Company, New York, N. Y.
72. James Zucker d/b/a Park-East Movers, New York, N. Y.
73. Peterson's Auto Express and Trucking Corporation, New York, N. Y.
74. John Rebori d/b/a Tony's Express and Storage, New York, N. Y.
75. Pickwick Moving Co., Inc., New York, N. Y.
76. Pioneer Warehouses, Brooklyn, N. Y.
77. Queensboro Storage Warehouse, Inc., Richmond Hill, N. Y.
78. Peter Frank Reilly, Jr. d/b/a Peter F. Reilly Fireproof Warehouses, Brooklyn, N. Y.
79. Conrad Rhodes, Jr. and Ernst Schoenfeld d/b/a Rhodes and Schoenfeld, Queens, N. Y.
80. Richmond Storage Warehouse and Van Co., Staten Island, N. Y.
81. Angelo Rivas and George Cerny d/b/a Rivas-Cerny Movers, New York, N. Y.
82. Alfred Santini and Peter Succhesi d/b/a Alfred Santini Co., New York, N. Y.
83. U. Santini, Inc., Brooklyn, N. Y.
84. Scaredale Van and Storage Co., Inc., Scaredale, N. Y.
85. William Anton Schumacher d/b/a Wm. A. Schumacher, Stapleton, S. I., N. Y.
86. Security Fireproof Storage, Inc., Brooklyn, N. Y.
87. Siegler Bros., Inc., New York, N. Y.
88. Simkovitch Moving and Storage Co., Inc., New York, N. Y.
89. Simpson McCartney and David McCartney, Woodside, L. I., N. Y.
90. Sidney Spalding and John Spalding d/b/a Spalding Movers, New York, N. Y.
91. The Thomas J. Stewart Company, Jersey City, N. J.
92. Percival J. Stokes d/b/a P. J. Stokes, Brooklyn, N. Y.
93. Strand Moving and Storage Corp., New York, N. Y.
94. William H. Strang Warehouses, Inc., Brooklyn, N. Y.
95. V. H. Towns, Yonkers, N. Y.
96. Thomas V. Ward and Edward S. Ward d/b/a Thomas Ward Storage Warehouse, New York, N. Y.
97. Welsberger Moving and Storage Company, Inc., New York, N. Y.
98. Westchester Van and Storage Co., Inc., Mt. Vernon, N. Y.
99. John Winkler's Sons, Inc., Far Rockaway, L. I., N. Y.
100. World Moving and Storage Co., Inc., New York, N. Y.
101. Eagle Warehouse and Storage Co., Inc., Brooklyn, N. Y.
102. Joseph W. Hoff d/b/a Hoff Express and Van Co., Long Beach, N. Y.
103. Thomas G. Hayes d/b/a Hayes Storage Packing and Removal Service, New York, N. Y.
104. Thorn's Transfer, Inc., Bronxville, N. Y.

[F. R. Doc. 43–1062; Filed, January 21, 1943; 11:35 a. m.]

[Supplementary Order ODT 3 Revised–13]

NORTHERN PACIFIC TRANSPORTATION CO., ET AL

COORDINATION OF COMMON CARRIER MOTOR VEHICLE SERVICE

Northern Pacific Transport Company, W. M. Daniels doing business as Daniels Auto Freight Lines and Flathead Transportation Company.

[2] 7 F.R. 5066, 5678.

Upon consideration of the application to coordinate common carrier motor vehicle service between Butte and Kalispell, Montana, filed by Northern Pacific Transport Company, Billings, Montana, (hereinafter referred to as Transport) W. M. Daniels doing business as Daniels Auto Freight Line, Butte, Montana, (hereinafter referred to as Daniels) and Flathead Transportation Company, Missoula, Montana, (hereinafter referred to as Flathead) as governed by § 501.9 of General Order ODT 3 Revised, as amended[1] and good cause appearing therefor, *It is hereby ordered,* That:

1. Transport shall:

(a) Divert to Daniels at his terminal in Butte, Montana, all shipments destined to Philipsburg, Maxville and Hall, Montana.

(b) Accept from Flathead at the Flathead terminal in Missoula, Montana, when Transport has equipment available, such shipments as are destined to points on U. S. Highway No. 93, north of Missoula, Montana, to and including Whitefish, Montana, and transport such shipments to the terminal of Flathead at points of destination: *Provided,* That (a) shipments destined to points at which Flathead does not maintain an agency shall be transported by Transport direct to consignee at destination points, and (b) shipments destined to Whitefish, Montana, shall be delivered by Transport to a connecting carrier at Kalispell, Montana, for final delivery at destination.

(c) Accept from Flathead at the Flathead terminal in Kalispell, Montana, and from any connecting carrier at that point, and at all Flathead terminals located at points between Kalispell and Missoula, Montana, such shipments as are diverted to Transport by Flathead destined to Missoula, Montana, intermediate points and points beyond, and transport such shipments in its own vehicles to the terminals of Flathead located at intermediate points between Kalispell and Missoula, Montana, including Missoula: *Provided,* That shipments destined to points at which Flathead does not maintain any agency shall be transported by Transport direct to consignee at point of destination.

2. Daniels shall:

(a) Accept from Transport at the Daniels terminal in Butte, Montana, such shipments as are destined to Philipsburg, Maxville and Hall, Montana, and transport such shipments in his own vehicles to the terminal of Transport at Philipsburg, Montana, and direct to consignees at points of destination at Maxville and Hall, Montana.

3. Flathead shall whenever it has less than a capacity load or does not have equipment available to transport such shipments:

(a) Divert to Transport at the Flathead terminal at Missoula, Montana, such shipments as are destined to points on U. S. Highway No. 93, north of Missoula, Montana, to and including Whitefish, Montana.

(b) Divert to Transport at the terminals of Flathead at Kalispell, Montana, and at intermediate points between Kalispell and Missoula, Montana, such shipments as are destined to intermediate points, between Kalispell and Missoula, Montana, and points beyond.

4. The carrier to whom a shipment has been diverted shall forward such shipment on the billing and pursuant to the lawfully applicable rates, rules, and regulations of the carrier issuing the bill of lading.

5. Except as may be otherwise provided by agreement between the carriers, or prescribed by the Interstate Commerce Commission or by appropriate State regulatory body, the division of revenues derived from the transportation performed pursuant hereto shall be as determined by the Office of Defense Transportation.

6. The records of the carriers shall be available for examination and inspection at all reasonable times by any accredited representative of the Office of Defense Transportation.

7. The provisions of this order shall not be so construed or applied as to require or permit the motor carriers named herein to perform any transportation service, the performance of which by it is not authorized or sanctioned by law, or to render any service beyond its transportation capacity, or to alter its legal liability to any shipper.

8. Each of the carriers shall file forthwith with the appropriate regulatory body or bodies having jurisdiction over the operations affected by this order, and publish in accordance with law, and continue in affect until further order, tariffs, or supplements to filed tariffs, setting forth any changes in fares, charges, operations, rules, regulations and practices of the carrier which may be necessary to accord with the provisions of this order, and forthwith shall apply to such regulatory body or bodies for special permission for such tariffs or supplements to become effective on one day's notice.

9. Each carrier subject to this order engaged in interstate transportation shall file a copy of this order with the Interstate Commerce Commission, Washington, D. C., and if engaged in intrastate transportation shall file a copy of this order with each appropriate State regulatory body having jurisdiction over any operations affected hereby.

10. Communications concerning this order should refer to "Supplementary Order ODT 3 Revised–13", and should be addressed to the Division of Motor Transport, Office of Defense Transportation, Washington, D. C.

11. This order shall become effective January 31, 1943, and shall remain in full force and effect until the termination of the present war shall have been duly proclaimed, or until such earlier time as the Office of Defense Transportation by further order may designate.

Issued at Washington, D. C., this 21st day of January 1943.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 43–1063; Filed, January 21, 1943; 11:35 a. m.]

[1] 7 F.R. 5445; 7 F.R. 6689; 7 F.R. 7694.

OFFICE OF PRICE ADMINISTRATION.

[Revised General Order 27]

DELEGATION TO REGIONAL ADMINISTRATORS, STATE DIRECTORS, AND DISTRICT MANAGERS OF AUTHORITY TO SEND LICENSE WARNING NOTICES

General Order No. 27 is hereby amended to read as set forth below:

Pursuant to the authority conferred upon the Price Administrator by the Emergency Price Control Act of 1942, the following order is prescribed:

(a) The functions, duties, powers, authority and discretion conferred upon the Price Administrator by section 205 (f) of the Emergency Price Control Act of 1942 shall be exercised by the Price Administrator through the several Regional Administrators, State Directors, and District Managers of the Office of Price Administration to the following extent:

(1) Each of the several Regional Administrators of the Office of Price Administration is authorized, within his region, to send a warning notice by registered mail to any person who, in the judgment of such Regional Administrator, has violated any of the provisions of a license issued under section 205 (f) of the Emergency Price Control Act of 1942, or has violated any of the provisions of any regulation, order or requirement under section 2 or section 202 (b) of said Act, or any of the provisions of any price schedule effective in accordance with the provisions of section 206 of said Act, which is applicable to such person. In the absence of the Regional Administrator the acting Regional Administrator may exercise any authority conferred upon such Regional Administrator by this order.

(2) Each of the several State Directors and District Managers of the Office of Price Administration is authorized, within his district, to send a warning notice by registered mail to any person who, in the judgment of such State Director or District Manager, has violated any of the provisions of a license issued under section 205 (f) of the Emergency Price Control Act of 1942, or has violated any of the provisions of any regulation, order, or requirement under section 2 or section 202 (b) of said Act, or any of the provisions of any price schedule effective in accordance with the provisions of section 206 of said Act, which is applicable to such person. In the absence of the State Director or District Manager, the acting State Director or acting District Manager may exercise any authority conferred upon such State Director or District Manager by this order.

(3) The Regional Administrator of the Ninth Region may authorize the Director for Puerto Rico, the Director for the Virgin Islands, the Director for Alaska, and the Director for Hawaii, or any of them, to exercise, within Puerto Rico, the Virgin Islands, Alaska, and Hawaii, respectively, any of the authority conferred upon him by this order. In the absence of such Director, the acting Director may exercise any authority conferred upon

such Director by the Regional Administrator pursuant to this order.

(4) Any warning notice sent by any Regional Administrator, State Director or District Manager pursuant to the authority conferred by this Revised General Order No. 27, or sent by one of the several Directors for Puerto Rico, the Virgin Islands, Alaska, and Hawaii, pursuant to authority conferred by the Regional Administrator of the Ninth Region under paragraph (a) (3) of this order, shall have the same force and effect as if sent by the Price Administrator.

(Pub. Laws 421 and 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued and effective this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1003; Filed, January 20, 1943; 4:43 p. m.]

[General Order 43]

TEMPORARY RATION BANKING OPERATIONS

REIMBURSEMENT OF LISTED BANKS IN INTRODUCTORY AREA

Pursuant to the authority conferred upon the Administrator by Public Laws 421, 507 and 729, 77th Cong., by Executive Order No. 9125, issued by the President on April 7, 1942, and by the War Production Board Directive No. 1, the following order is prescribed:

(a) Each listed bank, as such term is defined in § 1407.261, Rationing Order No. 3 and in § 1394.8325, Ration Order No. 5C, shall be reimbursed by the Office of Price Administration for all operations in connection with temporary ration banking in the introductory area under the provisions of §§ 1407.261 to 1407.275 inclusive, Rationing Order No. 3, and §§ 1394.8325 to 1394.8340 inclusive, Ration Order No. 5C, for the period from December 16, 1942, to and including January 26, 1943, in accordance with the following schedule:

(1) Each bank shall receive a maintenance charge of ten (10) cents for each account carried on its books on the 15th day of January 1943.

(2) Each bank shall receive five (5) cents for each deposit made, plus one-half (½) cent for each item included in the deposit, during said period.

(3) Each bank shall receive four (4) cents for each transfer voucher properly debited to an account during said period.

(4) As used in this paragraph (a), the following terms have the following meanings:

(i) A credit to an account made on the order of the Office of Price Administration shall be deemed to be a deposit.

(ii) Each separate evidence shall be deemed to be a separate item, except that, in the case of coupons or stamps required by order of the Office of Price Administration to be affixed to a card or sheet, each card or sheet bearing stamps or coupons shall be deemed one item.

(iii) A debit to an account made on the order of the Office of Price Administration shall be deemed the debit of a transfer voucher to the account.

(b) Such reimbursement shall be made upon the receipt and approval by the Office of Price Administration of a report of such transactions by the listed bank, which report shall be made at the time and in the manner provided by General Ration Order No. 3 for the first quarterly reports of ration banking transactions by participating banks. No listed banks shall receive any other payment from any person for services rendered in connection with the temporary ration banking plan in the introductory area.

(c) This order shall take effect this 26th day of January 1943.

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1030; Filed, January 20, 1943; 4:45 p. m.]

[Order 5 Under RPS 83]

PACKARD BELL CO.

APPROVAL OF MAXIMUM PRICE

Order No. 5 under Revised Price Schedule No. 83—Radio Receivers and Phonographs. Approval of maximum price for sales by Packard Bell Company of a new model radio.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register and pursuant to the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250; *It is ordered:*

(a) Packard Bell Company, 1115 South Hope Street, Los Angeles, California, may sell and deliver its new model radio, No. 51BPR (D. L.) #2 at a price f. o. b. seller's point of shipment, exclusive of federal excise tax, no higher than $75.56, subject to discounts, allowances and terms no less favorable than those customarily granted by it.

(b) This Order No. 5 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 5 shall become effective on the 21st day of January, 1943.

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1002; Filed, January 20, 1943; 4:43 p. m.]

[Revised Order 76 Under MPR 120]

SHAVERS MOUNTAIN COAL COMPANY

ORDER GRANTING ADJUSTMENT

Revised Order No. 76 under Maximum Price Regulation No. 120—Bituminous Coal Delivered From Mine or Preparation Plant—Docket No. 1120-73-P.

Order No. 76 under Maximum Price Regulation No. 120 is hereby revised and amended to read as set forth below:

For the reasons set forth in an opinion issued simultaneously herewith and pursuant to the authority vested in the Administrator by the Emergency Price Control Act of 1942 as amended, and Executive Order No. 9250, and in accordance with § 1340.207 (b) of Maximum Price Regulation No. 120; *It is hereby ordered:*

(a) Coals produced in the following size groups by Shavers Mountain Coal Company, Elkins, West Virginia, at its Coberly Mine, Mine Index No. 945, located in Randolph County, West Virginia, District No. 3, may be sold and purchased for shipment by rail and by truck or wagon, including railroad fuel shipments, at prices not to exceed the following respective prices per net ton f. o. b. the mine:

Size group:	*Maximum prices*	
Rail	6	2.80
Truck or wagon	5	2.80
Railroad fuel	6	2.80

(b) Within thirty (30) days from the effective date of this order, Shavers Mountain Coal Company shall notify all persons purchasing its coals of the adjustment granted in paragraph (b) of this order, and shall include a statement that if the purchaser is subject to Maximum Price Regulation No. 122 in the resale of coal, the adjustments granted in this order do not authorize any increase in the purchaser's resale price except in accordance with and subject to the conditions stated in Maximum Price Regulation No. 122;

(c) This Revised Order No. 76 may be revoked or amended by the Administrator at any time;

(d) Unless the context otherwise requires, the definitions set forth in § 1340.203 of Maximum Price Regulation No. 120 shall apply to the terms used herein;

(e) This Revised Order No. 76 shall become effective January 21, 1943.

Issued this 20th day of January 1943.

JOHN E. HALLI,
Acting Administrator.

[F. R. Doc. 43-1004; Filed, January 20, 1943; 4:43 p. m.]

[Order 148 Under MPR 120]

REPUBLIC COAL COMPANY, INC.

ORDER GRANTING ADJUSTMENT

Order No. 148 under Maximum Price Regulation No. 120—Bituminous Coal Delivered From Mine or Preparation Plant—Docket No. 3120-310.

For the reasons set forth in an opinion which has been issued simultaneously herewith and which has been filed with the Division of the Federal Register, under authority vested in the Price Administrator by the Emergency Price Control Act of 1942 as amended and Executive Order No. 9250, and in accordance with § 134.203 of Maximum Price Regulation No. 120; *It is hereby ordered:*

(a) On and after December 16, 1942, Republic Coal Company, Inc., 2243 Southport Avenue, Chicago, Illinois, may enter into agreements with the Chicago, Milwaukee, St. Paul and Pacific Railroad, for the sale of coals produced at the Klein No. 2 Mine, located at Roundup, Musselshell County, Montana, at the applicable maximum prices, subject to an agreement to adjust prices

upon deliveries made during the pendency of the petition in accordance with the disposition thereof.

(b) This order may be revoked or amended by the Price Administrator at any time and in any event is to be effective only to the date upon which said petition is finally determined by the Price Administrator.

(c) Unless the context otherwise requires, the definitions set forth in § 1340.208 of Maximum Price Regulation No. 120 shall apply to the terms used herein.

(d) This Order No. 148 shall become effective January 21, 1943.

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1027; Filed, January 20, 1943; 4:49 p. m.]

[Order 149 Under MPR 120]

MISSOURI CITY COAL COMPANY

ORDER GRANTING ADJUSTMENT

Order No. 149 Under Maximum Price Regulation No. 120—Bituminous Coal Delivered From Mine or Preparation Plant—Docket No. 3120-247.

For the reasons set forth in an opinion which has been issued simultaneously herewith and pursuant to the authority vested in the Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, and in accordance with § 1340.207 (b) of Maximum Price Regulation No. 120; *It is hereby ordered:*

(a) Coal produced by the Missouri City Coal Company, Missouri City, Missouri, at its Knoxville Mine (Mine Index No. 359), in District No. 15, in Size Groups 1 and 2, may be sold and purchased for shipment by truck, f. o. b. mine at a price not to exceed $3.85 per net ton.

(b) Within thirty (30) days from the effective date of this order, the said Missouri City Coal Company shall notify all persons purchasing its coals of the adjustment granted in paragraph (a) of this order, and shall include a statement that if the purchaser is subject to Maximum Price Regulation No. 122 in the resale of coal, the adjustments granted in this order do not authorize any increase in the purchaser's resale price except in accordance with and subject to the conditions stated in Maximum Price Regulation No. 122.

(c) This Order No. 149 may be revoked or amended by the Administrator at any time.

(d) All prayers of the petition not granted herein are hereby denied.

(e) Unless the context otherwise requires, the definitions set forth in § 1340.208 of Maximum Price Regulation No. 120 shall apply to the terms used herein.

(f) This Order No. 149 shall become effective January 21, 1943.

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1028; Filed, January 20, 1943; 4:49 p. m.]

[Order 150 Under MPR 120]

BLACK MOUNTAIN CORPORATION

ORDER GRANTING ADJUSTMENT

Order No. 150 under Maximum Price Regulation No. 120—Bituminous Coal Delivered from Mine or Preparation Plant—Docket No. 1120-38-P.

For the reasons set forth in an opinion issued simultaneously herewith and pursuant to the authority vested in the Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, and in accordance with § 1340.207 (e) of Maximum Price Regulation No. 120, *It is hereby ordered:*

(a) Coals produced by the Black Mountain Corporation at its Mine No. 30 (Mine Index No. 49) and Mine No. 31 (Mine Index No. 50) in District No. 8 may be sold and purchased for shipment by rail at prices not to exceed the following respective prices per net ton, f. o. b. the mine:

Size group No.:	
1	$3.90
2	3.90
3	3.65
4	3.65
5	3.60
6	3.65
7	3.05
8	3.00
9	3.30
10	3.30
15	2.60
16	2.60
17	2.60
18	2.50
19	2.45
20	2.75
21	2.45
22	2.05

(b) Coals produced by the Black Mountain Corporation at its Mine No. 30 (Mine Index No. 49) and Mine No. 31 (Mine Index No. 50) in District No. 8 may be sold and purchased for shipment via the Great Lakes at prices not to exceed $2.75 per net ton for Size Group 20 f. o. b. the mine.

(c) Within thirty (30) days from the effective date of this order, Black Mountain Corporation shall notify all persons purchasing its coals of the adjustments granted in paragraphs (a) and (b) of this order, and shall include a statement that if the purchaser is subject to Maximum Price Regulation No. 122 in the resale of coal, the adjustments granted in this order do not authorize any increase in the purchaser's resale price except in accordance with and subject to the conditions stated in Maximum Price Regulation No. 122.

(d) This Order No. 150 may be revoked or amended by the Administrator at any time;

(e) Unless the context otherwise requires, the definitions set forth in § 1340.208 of Maximum Price Regulation No. 120 shall apply to the terms used herein;

(f) This Order No. 150 shall become effective January 21, 1943.

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1029; Filed, January 20, 1943; 4:40 p. m.]

[Order 5 Under MPR 136, as Amended]

BAKER & CO., INC. ET AL

ORDER GRANTING APPLICATION

Order No. 5 under Maximum Price Regulation No. 136, as Amended—Machines and Parts and Machinery Services—Docket No. 3136-114.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, Executive Order No. 9250 and Procedural Regulation No. 6, *It is hereby ordered:*

(a) The following firms, hereafter called "petitioners", viz:

Baker & Company, Inc., Newark, New Jersey.
C. S. Brainin Company, New York, New York.
Callite Tungsten Corporation, Union City, New Jersey.
Fansteel Metallurgical Corporation, North Chicago, Illinois.
Gibbon Electric Company, Pittsburgh, Pennsylvania.
Metals & Controls Corporation, Attleboro, Massachusetts.
P. R. Mallory & Co., Inc., Indianapolis, Indiana.
The H. A. Wilson Company, Newark, New Jersey.

are hereby severally authorized, from and after August 31, 1942, to increase the maximum price established by Maximum Price Regulation No. 136, as amended, for any machine or part containing silver, when manufactured by any of the Petitioners and sold to any United States government agency, or any contractor or subcontractor of such agency, by the sum of 9.625¢ per fine troy ounce of silver contained in such machine or part: *Provided,* That no overhead, margin or profit factor be applied to such increase: *And provided further,* That where the provisions of Maximum Price Regulation No. 136 as amended, already permit any of the petitioners to reflect in their maximum price the increase in the cost of a machine or part containing silver, no additional allowance may be added by the petitioners.

(b) This Order No. 5 may be revoked or amended by the Office of Price Administration at any time.

(c) This Order No. 5 shall become effective January 21, 1943.

Issued this 20th day of January 1943.

JOHN E. HAMM,
Acting Administrator.

[F. R. Doc. 43-1024; Filed, January 20, 1943; 4:46 p. m.]

[Order 6 Under MPR 136 as Amended]

CENTRAL TOOL CO.

ORDER GRANTING IN PART AND DENYING IN PART

Order No. 6 under Maximum Price Regulation No. 136, as Amended—Machines and Parts and Machinery Services—Docket No. 3136-178.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Regis-

ter, and pursuant to and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, Executive Order No. 9250, § 1390.25 (a) of Maximum Price Regulation No. 136, as amended, and Procedural Regulation No. 6, *It is hereby ordered*:

(a) The Central Tool Company of Auburn, Rhode Island, is hereby authorized to enter into, offer to enter into, and carry out, contracts with the United States or any agency thereof or with the government of any country whose defense the President deems vital to the defense of the United States under the terms of the Act of March 11, 1941, entitled "An Act to promote the defense of the United States" or with any agency of any such government covering the following micrometers and accessories at prices not in excess of the maximum prices set opposite each micrometer and accessory listed below:

STANDARD (1/1,000)

	All black frame	*Polished frame*
1 inch	$6.25	$8.50
2 inch	7.00	9.50
3 inch	7.75	11.50
4 inch	8.50	12.50
5 inch	9.25	13.50
6 inch	10.00	14.50

VERNIER (1/10,000)

1 inch	$8.00	$10.25
2 inch	8.75	11.25
3 inch	9.50	13.25

ACCESSORIES

Locknut—additional	$1.00
Rocket Stop—additional	.75
Cases for Sets	7.50

The following discounts shall apply to the above prices:

	Percent
1–11 Micrometers	15
12–49 Micrometers	20
50 or more Micrometers	25

(b) To the extent that the application for adjustment filed by The Central Tool Company has not been granted by this order, the application is denied.

(c) This order may be revoked or amended by the Office of Price Administration at any time.

(d) This order shall become effective January 21, 1943.

(Pub. Laws 421, 729, 77th Cong.; E.O. 9250, 7 F.R. 7871)

Issued this 20th day of January 1943.

JOHN E. HALEM,
Acting Administrator.

[F. R. Doc. 43-1025; Filed, January 20, 1943; 4:48 p. m.]

[Order 129 Under MPR 183]

SPIEGEL FURNITURE CO.

APPROVAL OF MAXIMUM PRICES

Order No. 129 under § 1499.158 of Maximum Price Regulation No. 188—Manufacturers' Maximum Prices for Specific Building Materials and Consumers' Goods Other Than Apparel.

Approval of maximum prices for sales by Spiegel Furniture Company of a seed display cabinet.

For reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, *It is ordered:*

(a) Spiegel Furniture Company, Shelbyville, Indiana, is authorized to sell and deliver the seed display cabinet at a price f. o. b. Shelbyville, Indiana, no higher than $27.18 per unit.

(b) This Order No. 129 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 129 shall become effective on the 21st day of January 1943.

Issued this 20th day of January 1943.

JOHN E. HALEM,
Acting Administrator.

[F. R. Doc. 43-1030; Filed, January 20, 1943; 4:43 p. m.]

[Order 131 Under MPR 183]

SOUND FURNITURE MANUFACTURING CO.

APPROVAL OF MAXIMUM PRICES

Order No. 131 under § 1499.158 of Maximum Price Regulation No. 188—Manufacturers' Maximum Prices for Specific Building Materials and Consumers' Goods Other Than Apparel.

Approval of maximum prices for sales by Sound Furniture Manufacturing Company of tables and desks for use by Radio School, Alaska Communications System, of Seattle, Washington.

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Order No. 9250, *It is ordered:*

(a) Sound Furniture Manufacturing Company of Seattle, Washington, is authorized to sell and deliver special tables manufactured for use by the Radio School, Alaska Communications System, of Seattle, Washington, at $29.24 each and special desks at $29.30 f. o. b. Seattle.

(b) This Order No. 131 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 131 shall become effective on 21st day of January 1943.

Issued this 20th day of January 1943.

JOHN E. HALEM,
Acting Administrator.

[F. R. Doc. 43-1026; Filed, January 20, 1943; 4:45 p. m.]